



MINISTRY OF INVESTMENT, TRADE & INDUSTRY

SPEECH BY

**YB SENATOR TENGKU DATUK SERI UTAMA ZAFRUL AZIZ
MINISTER INVESTMENT, TRADE AND INDUSTRY**

**FOR
THE LAUNCH OF THE EXIM SUSTAINABILITY FORUM AND
TH EXIM BANK GREEN GLOBAL INITIATIVE**

**24 SEPTEMBER 2024 (TUESDAY)
GRAND BALLROOM, SHERATON IMPERIAL HOTEL
JALAN SULTAN ISMAIL, 50250 KUALA LUMPUR.**

Yang Berbahagia Dato' Charon Wardini Mokhzani

Chairman of EXIM Bank Malaysia

**The Honourable members of the Board of EXIM Bank
Malaysia**

Ms Nurbayu Kasim Chang

Acting President and Chief Executive Officer of EXIM Bank
Malaysia

Members of the media,

Distinguished guests,

Ladies and gentlemen

Assalamualaikum WBT, Salam Malaysia Madani and good
afternoon.

1. I am honoured to be with you today at the **inaugural** EXIM Sustainability Forum. This forum is a timely and important platform, particularly as we continue **to decarbonise our economy and strengthen Malaysia's role in promoting sustainable development, in alignment with the global Sustainable Development Goals.**

2. We are at a critical juncture. The global landscape is shifting rapidly, and sustainability has become a non-negotiable aspect of international trade. **Malaysia, as a key player in specific supply chains that feed into the lifeblood of global trade**, must also be proactive in addressing climate risks. This proactive action is paramount to maintaining our competitive edge.

MALAYSIA'S STRONG POLICIES ON NURTURING INDUSTRIAL SUSTAINABILITY

3. At the Ministry of Investment, Trade, and Industry (MITI), we have been working relentlessly to ensure our **industrial and export sectors embrace sustainability** to help Malaysia transition into a more decarbonised economy.
4. This is why, under the third mission of NIMP "Push for Net Zero", **MITI is driving a whole-of-nation approach to decarbonize our industries, manufacturing and export sectors while capitalising on new green growth areas.**
5. Additionally, MITI also launched the **National Industry ESG Framework (i-ESG)** last year. The i-ESG is designed to **help companies, especially Micro, Small, and Medium Enterprises (MSMEs), integrate ESG principles into their**

operations. This will ensure MSMEs can adopt global best practices on sustainability standards, so they can **maintain access to ESG-sensitive markets and customers.**

MALAYSIA'S POLICIES ON FINANCING COMPANIES' SUSTAINABILITY INITIATIVES

6. But we understand that **certain companies need financial support to embrace sustainability.** This is why at various global forums – from the World Economic Forum to Nikkei Asia and others, we have always emphasised **the need for just transition**, and **for developed countries to make good on their climate finance pledges** to help developing countries build risk management capacity in climate action. In short, **their “cheque books must match their checklists” of demands** on developing economies.
7. On this, **one key takeaway** of the **2023 UN's Climate Change Conference (COP28)** that MITI particularly welcomes is the **announcement of a \$30 billion fund for global climate solutions**, and **where parties pledged \$700 million to help lower-income countries.**
8. As I said, pledges by advanced countries for climate finance is extremely important to help developing nations build capacity.

9. In terms of building capacity at the country level, we have **four (4) NIMP enablers to take our industries, particularly the SMEs, to the next level on greening their operations.** The first of these enablers is to **mobilise the financing ecosystem,** and these include **supply chain financing for SMEs,** as well as **financing for decarbonisation initiatives.**
10. Furthermore, as the **industrial/ manufacturing and export sectors are two of the key drivers of our economy,** we see these sectors as **leading the transition to sustain our economy's momentum and competitiveness.** Through our whole-of-nation approach, we **must enable the ecosystem for a future-proof, low-carbon economy today and for the future.**
11. **Right at the heart of this effort capacity building,** which brings me to **EXIM Bank's proposition** that we are launching today.

EXIM BANK'S GREEN GLOBAL INITIATIVE SUPPORTS WHOLE-OF-NATION NET ZERO JOURNEY

12. **EXIM Bank's Green Global Initiative is aimed at supporting Malaysian exporters in their journey**

towards sustainability. It entails a **commitment by the bank to support over 50 companies in mobilising RM1.5 billion for sustainable financing and three (3) core initiatives** that will help businesses and exporters **meet global sustainability standards while building climate-resilient initiatives.**

13. I believe the initiatives will be instrumental in enabling companies and SMEs to begin or complement their sustainability journey.
14. EXIM Bank is also taking significant strides by launching the **EXIM Calculation Advisory and Support (CCAS) – and** becoming one of the pioneers in the industry to offer **all of the bank’s clients specialised and complimentary assistance to accurately measure and manage their carbon footprint.** This helps clients take actionable steps toward reducing their emissions, while supporting EXIM’s efforts in assessing the environmental impact of its financed portfolio.
15. I am also glad to know that post-CCAS, **qualified clients will receive a financial incentive of up to RM10,000 under the Green Global Campaign,** when they take up financing with EXIM Bank. This RM10,000 may be used to

cover financing-related fees for transition projects (such as improving energy efficiency of buildings and appliances; or installing on-site renewable energy equipment such as solar PV cells); as well as **guarantee fee, legal fees or the customer's trade credit takaful contribution.**

16. The **third** initiative seeks to **advance the greening of the palm oil export sector by promoting the use of biochar and reducing the harmful effects of fertiliser.** MITI applauds EXIM's initiative in supporting the transition of such a key export commodity sector.
17. Last year, **EXIM also launched its GreenTech initiative.** I am glad to know that under the new Green Global Campaign, **customers taking up GreenTech can also qualify for the RM10,000 financial incentive.**
18. **Whatever the initiatives** through MITI or its agencies, **the most important thing is, of course, impact.** With the **RM1.5 billion financing commitment and initiatives** like the CCAS, the Green Global Campaign and the biochar programme for the palm oil sector, **EXIM Bank is clearly showing its seriousness in supporting clients in their**

green transition journey and fostering sustainable practices in the export sector.

19. With **all development financial institutions and commercial banks moving in the same ‘eco-direction’**, I am confident we will have the **required critical mass to achieve the NIMP’s *Push for Net Zero***. I am pleased that **EXIM bank is proactively helping to build that Net Zero ecosystem** through its financing programmes to support the nation’s goal for a decarbonised and sustainable economy.
20. The launch of the **Green Global Initiative** by EXIM Bank is a clear reflection of our shared commitment to ensuring that **Malaysian businesses can remain competitive in the face of evolving green global standards**.
21. While MITI works on ensuring equitable trade and industrial policies at the global level, we are glad to see that our agencies like **EXIM Bank clearly understand their role in helping businesses transition towards greener practices at the grassroots level**. This is exactly how we expect financial institutions to support the nation’s sustainable development.

CLOSING

22. In closing, I would like to congratulate EXIM Bank for crafting and launching this crucial initiative, and for organising today's forum. We must bear in mind that **a sustainable economy makes for a resilient economy.**

23. The **EXIM Green Global Initiative** represents a **significant step forward in aligning Malaysia's export sector with the world's Sustainable Development Goals (SDGs).** I hope businesses will take full advantage of the support offered through this initiative and seize the opportunity to begin or advance their sustainability journey.

24. MITI and its agencies look forward to working closely with all of you to create a more sustainable, robust and supportive operating environment for Malaysian businesses and SMEs.

Thank you. Wabillahi Taufik Walhidayah, Wassalamualaikum Warahmatullahi Wabarakatuh.