



**Policy is fine but not enough, only legislation will start off the capacity building**

EU-MALAYSIA CHAMBER OF COMMERCE AND INDUSTRY'S THOMAS BRANDT ON GREEN TECHNOLOGY >B4

## Renewable energy Act can boost FDI

MALAYSIA could boost foreign direct investments substantially with the proposed Renewable Energy Act.

"Malaysia has attracted more than RM10 billion in solar power. This could double or triple in short period," said Thomas Brandt, general manager of the Malaysian-German Chamber of Commerce and Industry.

Malaysia's system will be introduced under the new mechanism which allows electricity produced from renewable energy resources to be sold to power companies at a fixed premium and for a specific amount.

This mechanism was started by Germany and it is proven to be the most cost effective policy. Malaysia aims to derive 5 per cent of its energy from renewable sources by 2050, excluding power which is already a major power now.

Brandt said the Act will partly adopt Germany's law on how tariffs are set and will be tabled in Parliament this October.

Brandt was speaking to reporters at the Green Asia 2010 exhibition in Seri Kembangan, yesterday.

The 'Tech Asia' exhibition, which is being held at the Exhibition Hall, will end on April 25. The day event has received participation from 16 countries, including Malaysia, in showcasing their green technologies to promote environmental protection and energy conservation.

The country already has a target to increase the usage of renewable energy to at least 9% of total electric-

# Legislation needed to lure green tech investors

M'sia can learn from EU on such technology and related industries

**»In Germany, there are now 300,000 people employed in the green technology industry«**

THOMAS BRANDT

(UE) was a region where Malaysia could learn more about green technology and its associated technologies and industries.

Brandt, also the Malaysian German Chamber of Commerce general manager, said small and medium businesses were at the forefront of renewable energy technology in the EU and this was also in line with local policy to boost such businesses and enhance income.

The New Economic Model recently unveiled by the Government showed that nearly 40% of income earners were employed by small and medium businesses and micro enterprises.

"In Germany, there are now 300,000 people employed in the green technology industry compared with 30,000 in 1998," Brandt said.

relevant Government ministries to attend international exhibitions such as the upcoming Intersolar Europe 2010, the largest trade fair for solar technology to be held in Germany.

Brandt said such fairs would allow them to see what green technology and the wider environmental technology sector could offer.

He added that the European Union

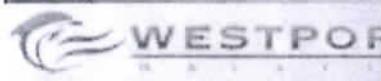
KUALA LUMPUR: Malaysia needs renewable energy legislation to attract more investments into the green technology industry.

"What the industry needs is a Renewable Energy Act.

"Policy is fine but not enough, only legislation will start off the capacity building as it will ensure that investments will be secure," the EU-Malaysia Chamber of Commerce and Industry's environment, energy and green technology committee head Thomas Brandt said.

According to earlier reports, the Energy, Green Technology and Water Ministry was currently drafting a bill on renewable energy that would be tabled towards year-end.

The country already has a target to increase the usage of renewable energy to at least 9% of total electric-

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### **Malaysia Needs To Gain Ground In Green Technology**

KUALA LUMPUR, May 6 (Bernama) -- Malaysia needs more exposure in the field of green technology transfer, human resource and capacity building in order to become a regional leader, according to the Malaysian-German Chamber of Commerce and Industry (MGCC).

Its General Manager Thomas Brandt said local companies could source knowledge and expertise by collaborating with leading manufacturers, suppliers, institutions and associations in Europe.

"Germany as the leading country in energy policies and unequalled introduction of renewable energies (REs), can provide practical examples of what can be done," he said at briefing here Thursday.

Brandt said the sector has proven to be the only one experiencing, tremendous growth over the past decade and despite the economic climate.

"Therefore, we believe it has plenty to offer Malaysia, a country with an abundance of sunshine to generate energy security and become the new economic sector," he said.

Meanwhile, Brandt pointed out that RE in Germany rose from 6.3 per cent in 2000 to over 16 per cent in 2009.

He said job opportunities in the sector in Germany had grown from 30,000 employees in 1998 to 300,000 in 2010, and expected to grow by 500,000 by 2020.

"The share of RE in Europe is due to rise by 20 per cent by 2020. The European Union (EU) policies are now focused on developing and strengthening the importance of photovoltaic as solar thermal usage," he explained.

Brandt said solar thermal energy would cover an estimated 12 per cent of the European Solar Thermal Industry Federation projects.

He said almost 40 per cent of the total energy is used in buildings and therefore, the conversion of solar energy into heat, is a major factor.

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The solar heating is usable then for both water and space heating, as well as cooling, with latest transmission technologies.

"There are a lot of things that can be learnt," he added.

In another development, the MGCC is planning to bring between 20-25 local companies to Germany from June 8-16, to gain the latest insights on European and worldwide policies on green policies.

The programme also allows Malaysian entrepreneurs to gather the latest technologies, products and services at the Intersolar Europe 2010 exhibition, the meeting point for the international solar industry, showcasing 1,800 exhibitors.

The delegation will also visit the Solar Town in Freiburg and the Photovoltaic-Solar Research Institute.

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# Thumbs up for green drive

## Incentives expected to boost income and generate more jobs

**PETALING JAYA:** Environment industry players have welcomed the incentives announced by the Prime Minister to further promote green technology in the country.

Malaysia Green Building Confederation president Von Kok Leong said the time-frame for the extension of Pioneer Status and Investment Tax Allowance (ITA) for the generation of energy from renewable sources and energy efficient (EE) activities until Dec 2015 was appropriate.

"We have been lobbying for an extension of as many green projects as possible," he added.

**Malaysia Building Integrated Photovoltaic (MBIPV) Project technical adviser Chen Wei-nee noted that the announcement of the Renewable Energy (RE) Act was something new and positive.**

MBIPV Project, under the administration of the Ministry of Green Technology, Energy and Water, is one of the main drivers of the RE Act. Under this Act, a Feed in Tariff (FiT) mechanism that allows individuals and independent providers to sell RE to electricity utility companies will be implemented.

"RE investors are concerned as to



and Industry Environment, Energy and Green Tech Committee chairman Thomas Brandt described the FiT announcement as "a first step towards embracing sustainable energy and supply."

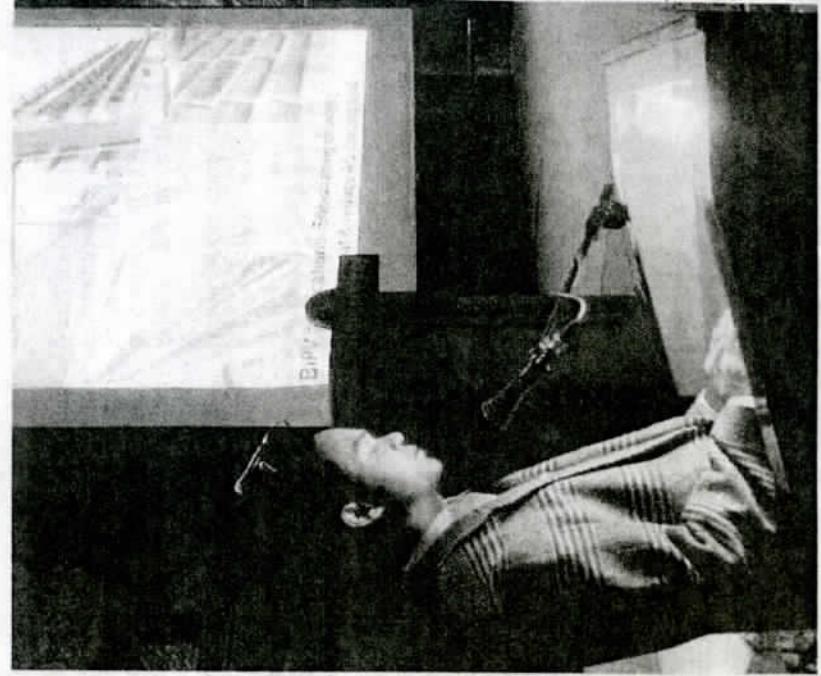
He felt the move was in line with the Government's objective to bridge the green technology gap and bring higher income to the country, adding that the RE sector had generated 300,000 jobs in Germany in the past 10 years.

"This will foster international cooperation and facilitate the flow of FDI and technology transfer."

LAM-PAM (Lembaga Arkitek Malaysia-Pertubuhan Akitek Malaysia) Green Building and Sustainability Committee chairman Dr Tan Loke Mun felt the tax breaks for hybrids and electric cars and motorcycles would be "good for green."

However, he hoped that the greening of Kuala Lumpur would not be solely about planting more trees and shrubs.

"We need to look into improving the public transportation system and establishing more green buildings," he added.



**Much-needed boost:** MBIPV National Project leader Ir Ahmad Hadri Hari introducing the MBIPV Project to the audience during its launching. The project is one of the main drivers of the RE Act.

# FTA with EU will boost growth: Envoy

By Tan Choe Choe

choe@NSTP.com.my

MALAYSIA may be looking at an extra growth rate of 8 per cent in 12 years if its free trade pact with the European Union (EU) is realised, a senior EU official says.

"This is what studies have shown," said Vincent Piket, ambassador and head of an EU delegation to Malaysia.

"FTA (free trade agreement) negotiations were just launched last week and we're just about to start with the factual talks.

"The Prime Minister has set a very ambitious target — to conclude the talks in 18 months or a max of 24 months and there is a

lot of work to be done," Piket added.

He said there is firm interest from both the countries' government and business sectors.

"We hope the agreement will cover as large an area as possible to bring the most mutual economic benefit. We aim to liberalise more than 90 per cent of all sectors, but the frontier will be the services sector," he said.

The focus of the agreement will be closely linked with the New Economic Model that Malaysia is looking to realise, he added. A particular focus is to boost Malaysian services sector's share of the economy from the current 55 per cent to 70 per cent.

Piket was speaking at a joint-media briefing in Kuala Lumpur with the EU-Malaysia Chamber of Commerce and Industry (EUMCCI) yesterday.

The EUMCCI, said its chairman David Jones, had successfully co-ordinated the participation of 35 European companies from nine EU countries at the International GreenTech and Eco Products Exhibition (IGEM 2010) in Kuala Lumpur.

The participation of these companies is part of a EUMCCI project, co-funded by the EU, which aims to enhance its trade and investment with Malaysia in the services sector.

Over 170 pre-matched business

meetings have been arranged between Malaysian entrepreneurs and EU companies.

The majority of the EU companies that are Kuala Lumpur for the IGEM 2010 are small and medium enterprises (SMEs), said EUMCCI head of the sectoral committee for environment, energy and green technology Thomas Brandt.

"Most inventions and patents in Europe actually come from our SMEs and we believe this is also what Malaysia is looking to have. Therefore, we have brought the perfect matches for Malaysian businesses," said Brandt.

He added that the business meetings are mostly on a SME-to-SME basis.

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