

Welcoming Remarks by

**Datuk Abdul Rahim Haji Hashim**  
**President, Malaysian Gas Association (MGA)**

at the

**“Fourth National Energy Forum 2012”**  
**Sheraton Hotel, Kuala Lumpur, 26<sup>th</sup> September 2012**

Mr. Chairman,  
Distinguished Guests,  
Ladies and Gentlemen

It is indeed a pleasure for me to welcome you to this Fourth National Energy Forum, with the theme “***Building a Framework Towards a Sustainable Energy Future***”. It is heartening to note that this meeting, which is being jointly organised by the Suruhanjaya Tenaga Malaysia, the Malaysian Gas Association, and the Energy Commission of Malaysia, has now become a very important annual gathering of the country’s energy fraternity. Each year, energy experts have taken the opportunity to share with participants their invaluable views, as well as insights on major issues affecting Malaysia’s energy scene. For the Government, this meeting has also proven to be a very important platform to share new developments, initiatives, and policies impacting the country’s energy industry. For the private sector, this forum has become a very popular and important forum, for them to put forward their views and suggestions, and of course also, their grouses.

I am pleased to share with you that this year’s forum will either be equally, or if not, more critical, than those of the previous years. I believe that all of us in this room is aware that Malaysia today is at a very important and critical crossroad. While we

would very much like to maintain prices of domestic energy at the current low levels, so that we can continue to register strong economic growth, as well as remain very competitive, vis-a-vis with our neighbours, several factors have now dawned upon us, which has forced the Government to rethink and review some of the nation's current energy policies and practices.

Blessed with a reasonably large quantity of oil and gas reserves, Malaysia has been well sheltered from most of the major crises affecting the world's energy market, such as the steep fluctuation in the prices of crude oil and natural gas. However, while supply is not a major concern, the widening gap between the domestic and international energy prices, has resulted in a significant distortion on the true state of Malaysia's economy. Although one can argue that the Government can still maintain prices of domestic fuel and power at current low levels, i.e. continue extending the subsidies, doing so would not result in the optimal distribution and use of the nation's wealth and resources. Moreover, there will be no urgency for Malaysians to strive to become more energy efficient, not to mention further harming our environment from the excessive release of greenhouse gases. On the contrary, the billions of Ringgit saved from the removal of subsidies for petrol, natural gas, and power, would enable the Government to do a great deal more for the *rakyat*, such as building more schools, hospitals, and affordable homes.

Distinguished Guests,  
Ladies and Gentlemen,

While we may all agree that the country will benefit significantly from the removal of subsidies for petrol, natural gas, and power, the question which confronts us is under what circumstances or environment can the Government withdraw these subsidies without creating any adverse impact to the nation's economy? What would be the desired or ideal energy framework which would provide for a sustainable energy future for Malaysia?

To answer these questions, the Organising Committee has assembled for you an array of very distinguished speakers who possess the expertise and authority to speak in their respective areas. I therefore wish to take this opportunity to thank

them for taking time out from their busy schedule to be with us today. Special thanks Yang Berhormat Dato' Peter Chin Fah Kui, the Minister for Energy, Green Technology and Water who have kindly agreed to officiate the event and deliver the keynote address. I would like you to join me in expressing our gratitude and appreciation to all the invited guests, speakers, and panellists..

I also wish to thank all parties which had extended their support to this forum. Special thanks goes to the members of the Advisory Panel consisting of Ministry of Energy, Green Technology and Water, the Economic Planning Unit of the Prime Minister's Department, Energy Commission, Energy Council of Malaysia, PETRONAS, Tenaga Nasional, Sarawak Energy, Sabah Electricity and the Federation of Malaysian Manufacturers. My thanks also to the sponsors – Energy Commission, Tenaga Nasional and Alstom for your kind sponsorships.

Distinguished Guests

Ladies and Gentlemen

As you are aware, a little more than three months ago, in June, Malaysia hosted the 25<sup>th</sup> World Gas Conference in Kuala Lumpur. Today, I am proud to report to you that the event had attracted more than 5,000 registered participants, 220 exhibitors, and more than 13,000 trade visitors. The 25<sup>th</sup> WGC Conference and Exhibition is regarded as the “Olympic” of the gas industry and we have succeeded in organising the most successful and memorable WGC in the series. Therefore, on behalf of the International Gas Union, and the Malaysian Gas Association, and PETRONAS, the main sponsor of the 25<sup>th</sup> WGC, I would like to express my sincere appreciation and say a BIG THANK YOU to all who had helped towards making the 25<sup>th</sup> WGC a success.

Finally, to conclude, I wish to thank all members of the Organising Committee, headed by En. Ho Sook Wah and Ungku Aion, for the excellent organisation of this 4<sup>th</sup> Energy Forum. I wish all of you a a fruitful and successful Forum.

Thank you.