MyHIJAU Programme & Green Technology Financing Scheme

Seminar Perundangan Penggunaan Tenaga Elektrik Secara Cekap
Shah Alam, Selangor
20 May 2015
OUTLINE

- Green Technology Policy
- About GreenTech Malaysia
- MyHIJAU Mark & Directory
- MyHIJAU SME & Entrepreneur
- Green Technology Financing Scheme
GREEN TECHNOLOGY POLICY

Four Pillars of Green Technology Policy

- **ENERGY**: Attain energy independence & promote efficient utilisation
- **ENVIRONMENT**: Conserve and minimise the impact on the environment
- **ECONOMY**: Enhance the national economic development through the use of technology
- **SOCIAL**: Improve the quality of life for all

- **Launched by the Malaysian Prime Minister on 24th July 2009.**
- **Policy Statement**: Green Technology shall be a driver to **accelerate the national economy** and promote sustainable development.

**Ministry of Energy, Green Technology & Water Malaysia (KeTTHA)**
- Responsible for the planning and formulation of policies for the energy, green technology and water, as well as to facilitate and regulate the growth of these sectors.

**Malaysian Green Technology Corporation (GreenTech Malaysia)**
- Responsible to implement and execute national green technology initiatives and programmes.
ABOUT GREENTECH MALAYSIA

- Registered under the Companies Act 1965:
  - As a company limited by guarantee and not having a share capital;
  - Under the purview of Ministry of Energy, Green Technology & Water.

- First established as Malaysia Energy Centre (PTM) on 12\textsuperscript{th} May 1998.

- Restructured as Malaysian Green Technology Corporation (GreenTech Malaysia) on 7\textsuperscript{th} April 2010.

- **Purpose:** To catalyse green technology deployment as Malaysia’s strategic engine for socio-economic growth.

- GEO building in Bandar Baru Bangi:
  - Officiated by YAB PM on 24\textsuperscript{th} July 2009.
  - The first GBI certified building in Malaysia.
  - BEI = 30 kWh/m2/year.

- **Winner of 2009 ASEAN Energy Award (RE Category)**

- **GEO building in Bandar Baru Bangi:**
  - Officiated by YAB PM on 24\textsuperscript{th} July 2009.
  - The first GBI certified building in Malaysia.
  - BEI = 30 kWh/m2/year.
MyHIJAU PROGRAMME

Sustainable Consumption

MyHIJAU Procurement

MyHIJAU Directory

Sustainable Production

MyHIJAU Mark

MyHIJAU SME & Entrepreneur

www.greendirectory.my
MyHIJAU MARK & DIRECTORY
WHAT IS MyHIJAU MARK?

- The official label that recognises certified green Products and Services verified by GreenTech Malaysia to meet local and international environmental standards.

- All registered green products/services shall be listed in the MyHIJAU Directory
The Products (including equipment and systems) or Services must be able to meet all of the following:

- Minimise the degradation of the environment, or reduce greenhouse gas emissions
- Promote health and/or improvement of the environment
- **Conserve the use of energy**, water and/or other forms of natural resources, or promote the use of renewable energy or recyclable materials
**MyHIJAU MARK FOR ENERGY EFFICIENCY**

**EE Product Manufacturers or Suppliers**
- Must be a Malaysian Registered Business or Malaysian Registered Company;
- Authorised supplier must be appointed by the product manufacturer; and
- Must not be wound-up and/or liquidated.

**Energy Service Providers**
- Must be a Malaysian Incorporated Company;
- Must not be wound-up and/or liquidated;
- Employ at least one manager/supervisor personnel with recognised qualifications; and
- Demonstrate green practices through procedures or guidelines on environmental management.
MyHIJAU MARK FOR ENERGY EFFICIENCY

EE Product Manufacturers or Suppliers

- Registration fee is RM1,000 for a single certificate submission.
- Validity of the certificate must be at least six (6) months from its expiry.
- Product Criteria Documents (PCDs) or Test Report where applicable, must be enclosed for the submission.

Energy Service Providers

- Registration fee is RM1,000 for a submission.
- For EE products leased as part of services, Green Label Certification or Performance Standard Compliance must be provided. Certification/compliance must be valid for a minimum of six (6) months from application date.
VALIDITY OF MyHIJAU MARK LABEL

EE Product Manufacturers or Suppliers

- Registration is valid from the date of approval, which is the date provided in the MyHIJAU Mark Certificate, or until the expiry of the validity of the EE product’s Green Label Certification or Performance Standard Compliance subject to the maximum validity period of three (3) years of the MyHIJAU Mark certification date.

Energy Service Providers

- Registration of an energy service provider as MyHIJAU Mark Services is valid for a period of one (1) year from the date of approval by GreenTech Malaysia, which is the date as provided in the MyHIJAU Mark Certificate.
CATEGORIES UNDER MyHIJAU MARK (PRODUCTS)

- ISO 14024 Type I Eco-labels
e.g. SIRIM Eco Labelling Scheme

- ISO 14025 Type III Eco-labels
e.g. SIRIM Carbon Footprint Labelling Scheme

- Other Type I-like Voluntary Sustainable Scheme (VSS) e.g. Energy Star, WELPS & PEFC

- Performance Standard Compliance
e.g. Minimum Energy Performance Standards (MEPS) by Suruhanjaya Tenaga
# MyHijau Mark (Products)

<table>
<thead>
<tr>
<th>Verification/Certification</th>
<th>Sector</th>
<th>Logo</th>
</tr>
</thead>
<tbody>
<tr>
<td>ISO 14024</td>
<td>Type I Eco Labelling Scheme</td>
<td>Manufacturing &amp; Services</td>
</tr>
<tr>
<td>ISO 14025</td>
<td>Carbon Footprint Labelling Scheme</td>
<td>Manufacturing &amp; Services</td>
</tr>
<tr>
<td>Other Type I-like VSS</td>
<td>Energy Efficiency Rating &amp; Labelling Scheme</td>
<td>Energy</td>
</tr>
<tr>
<td></td>
<td>Water Efficient Products Labelling Scheme</td>
<td>Water</td>
</tr>
<tr>
<td></td>
<td>Timber Certification Scheme</td>
<td>Forestry</td>
</tr>
</tbody>
</table>
LIST OF REGISTERED VERIFICATION/CERTIFICATION BODIES UNDER MyHIJAU MARK (PRODUCTS)

Verification Bodies Recognised by MyHIJAU Mark

- SIRIM Eco-labelling Scheme
- Water Efficient Labelling Product Scheme (2 and 3-star only)
- Energy Efficiency Labelling Scheme (5-star only)
- Carbon Footprint Labelling Scheme
- Global GreenTAG Certification Scheme (for Global GreenTag LCARate Certification: minimum Bronze rating. For GreenRate Certification: minimum Level C)
- Green Building Index (partner to verify on building project)
- Malaysian Timber Certification Scheme (COC certification scheme only)
- Certification Bodies and/or Scheme Owners registered with Global Ecolabeling Network (GEN) i.e. Singapore Green Label, Japan Eco Mark, Thailand Green Label etc.
MyHIJAU DIRECTORY (www.greendirectory.my)
<table>
<thead>
<tr>
<th>Sector</th>
<th>No. of Companies</th>
<th>No. of Products/Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy</td>
<td>4</td>
<td>9</td>
</tr>
<tr>
<td>Building</td>
<td>12</td>
<td>49</td>
</tr>
<tr>
<td>Transport</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Waste &amp; Water</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>20</strong></td>
<td><strong>66</strong></td>
</tr>
</tbody>
</table>
MyHIJAU SME & ENTREPRENEUR
OBJECTIVES:

- To encourage the growth of local SMEs, including Bumiputera and women businesses, to adopt green practices and produce local green products and services.

- To facilitate the successful incorporation of best green practices and applications in the SMEs' operations.
ACTIVITIES FLOW OF MyHIJAU SME & ENTREPRENEUR

- Selection of SME’s
  - Invited

- Briefing on SME Green Development Programme
  - Interested

- Registration on Green Coaching & Training Session
  - Evaluated

- Green Coaching Session
  - Certified
  - Identified Gap Analysis and Specify Technical Requirement
    - Identified Gap Analysis and Specify Technical Requirement
      - Selected

- Green label verification under MyHIJAU Mark
- Standard requirement
- Legislation/regulation/act compliance
- Testing facilities assistance
- Financing facilities assistance

- Register Under MyHIJAU Mark
  - Qualified

- Training Session + Green Certification
  - Registered Under Green Transformation status

- Collaboration with Verification/Certification Bodies and Standards Malaysia
  - Malaysia

Green Product Manufacturers/Suppliers; Malaysian Registered Business or Malaysian Registered Company.

Green Service Providers; Malaysian Incorporated Company.
**BENEFIT TO SMEs**

- Register under MyHIJAU Mark
- Recognised Green Transformation status
- Participate in National Standards Compliance Programme (NSCP) activities
- Reduce cost through Green Productivity (Material Cost Saving: MCS)
- Improve environmental performance through EMS
- **Increase energy efficiency through EnMS**
- Participate in Green Procurement
- Participate in promotion, awareness and marketing activities
REGISTRATION FOR MyHIJAU SME & ENTREPRENEUR

REGISTRATION FORM
MyHIJAU SME & ENTREPRENEUR

(You are required to fill-up all necessary information before submitting your registration)

COMPANY INFORMATION

Company Name

Company Address

Contact Person

Designation

HIP Number

Office Number

Email

COMPANY DETAILS - Please tick () when applicable

Type of Company

Product(s) Manufacturer and/or Service Provider

Product(s) Supplier (Authorized by the manufacturer) Others (Please Specify):

Bumiputera (Indicates Bumiputera ownership is 100%)

Women-Owned (Indicates women ownership > 60%)

Business Activities (manufacturing/ supplying product(s) or providing services)

Micro Enterprises (Annual Sales < RM300,000 or full time employees < 5 workers)

Small Enterprises (Manufacturing: Annual Sales < RM15 million or full time employees < 75 workers) (Services: Annual Sales < RM3 million or full time employees <30 workers)

Category of Business

ADDITIONAL INFORMATION

Environmental Certification

Any certification received on operation as below?

a. ISO 9001 - Quality Management Systems
b. ISO 14001 - Environmental Management Systems
c. ISO 50001 - Energy Management Systems; or Energy Management Gold Standard (EMGS)

Please tick () for the type of products/services as below:

(1) SIRIM- ECO LABELLING SCHEME

<table>
<thead>
<tr>
<th>Type of Products/Services</th>
<th>Type of Products/Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>ECO 01- Environmentally Degradable &amp; Non-Toxic Plastic Packaging Material</td>
<td>ECO 27- Luminaire and Light Source for Interior Lighting</td>
</tr>
<tr>
<td>ECO 02- Hazardous Metal-Free Electrical &amp; Electronic Equipment &amp; Parts</td>
<td>ECO 28- Paper Printed Material</td>
</tr>
<tr>
<td>ECO 03- Biodegradable Cleaning Agents</td>
<td>ECO 29- Cement</td>
</tr>
<tr>
<td>ECO 04- Recycled Paper</td>
<td>ECO 30- Balpoint Pen</td>
</tr>
<tr>
<td>ECO 05- Biodegradable Composite Construction Material</td>
<td>ECO 31- Flat Glass Products</td>
</tr>
<tr>
<td>ECO 06- Food Grade Lubricants</td>
<td>ECO 32- Coated Flat Steel Products</td>
</tr>
<tr>
<td>ECO 07- Floor Mat</td>
<td>ECO 33- Concrete Roofing Tiles</td>
</tr>
<tr>
<td>ECO 08- Fabric Care Products</td>
<td>ECO 34- Apparel and Textile Products from Natural Fibres</td>
</tr>
<tr>
<td>ECO 09- Tableware From Biomas</td>
<td>ECO 35- Carpet</td>
</tr>
<tr>
<td>ECO 10- Adhesives</td>
<td>ECO 36- Biomass Pellets and Briquette</td>
</tr>
<tr>
<td>ECO 11- Water-Based Adhesives</td>
<td>ECO 37- Solar Water Heater System</td>
</tr>
<tr>
<td>ECO 12- Paper-Based Packaging Products</td>
<td>ECO 38- Metal Docking and Paneling</td>
</tr>
<tr>
<td>ECO 13- Organic Fertilizers</td>
<td>ECO 39- Rainwater Harvesting Systems</td>
</tr>
<tr>
<td>ECO 14- Recycled Rubber Products</td>
<td>ECO 40- Ceramic Sanitary Wares</td>
</tr>
</tbody>
</table>
GREEN TECHNOLOGY FINANCING SCHEME (GTFS)
GREEN TECHNOLOGY FINANCING SCHEME (GTFS)

- **Financial Incentive introduced in 2010.**
  - RM1.5 billion in National Budget 2010 (incentive period ending in Dec 2012)
  - Additional RM2 billion allocation in 2013 (incentive period ending in Dec 2015)
  - Total allocation RM3.5 billion

- **Objective is to promote green investments by providing easier access to financing and at lower financing costs.**

- **Incentives:**
  - 60% guarantee by Government on green financing cost
  - 2% rebate on financing interest rate of green technology cost
IMPLEMENTATION MECHANISM AND KEY AGENCIES

www.gtfs.my

(1) Green Project Certificate

(2) Loan

(3) 2% rebate & 60% guarantee

PROJECT COMPANY
Producer: Max RM50 mil for 15 years max
User: Max. RM10 mil for 10 years max

GREENTECH MALAYSIA
(Promotions, Green Certification, Monitoring)

FINANCIAL INSTITUTIONS
(Credit assessment, financing)

CREDIT GUARANTEE CORPORATION
(Administer guarantee & rebate)

- Financing will be provided by all commercial & Islamic banks and Development Financial Institutions (DFIs)
- 0.5% p.a. guarantee fee to the government
- Projects are to be located in Malaysia
- Refinancing is not allowed
# GTFS KEY FEATURES

<table>
<thead>
<tr>
<th>Features</th>
<th>Producer of Green Technology</th>
<th>User of Green Technology</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Purpose</strong></td>
<td>To finance investment for the production of green products</td>
<td>To finance investment in the utilization of green technology</td>
</tr>
<tr>
<td><strong>Financing Size</strong></td>
<td>Maximum: RM50 million per company</td>
<td>Maximum: RM10 million per company</td>
</tr>
<tr>
<td><strong>Financing Tenure</strong></td>
<td>Up to 15 years</td>
<td>Up to 10 years</td>
</tr>
<tr>
<td><strong>Eligibility</strong></td>
<td>Legally registered Malaysian companies that have at least 51% Malaysian shareholding</td>
<td>Legally registered Malaysian companies that have at least 70% Malaysian shareholding</td>
</tr>
<tr>
<td><strong>Participating Financial Institutions (PFIs)</strong></td>
<td>All commercial and Islamic banks, and DFIs (Bank Pembangunan, SME Bank, Agrobank, Bank Rakyat, EXIM Bank and Bank Simpanan Nasional)</td>
<td></td>
</tr>
<tr>
<td><strong>Government Incentives</strong></td>
<td>• Rebate of 2% per annum of interest/profit rate</td>
<td>• 60% Government guarantee of financing amount</td>
</tr>
<tr>
<td><strong>Application Date</strong></td>
<td>The Scheme will open until 31 December 2015 or upon approval of financing up to RM3.5 billion, whichever is earlier</td>
<td></td>
</tr>
</tbody>
</table>
EE IN ENERGY SECTOR

ENERGY UTILISATION

Application of Green Technology in all energy utilisation sectors and in demand side management programmes such as:-

• Increase of efficiency through;
  ✓ Rational use of energy
  ✓ Process improvement
  ✓ Replacement of equipment
  ✓ Energy recovery system
  ✓ Waste, reject reduction

• Use of green materials
• Improve working environment
• New process to produce green products
EE IN BUILDING SECTOR

Adoption of Green Technology in the construction, management, maintenance and demolition of buildings including:

- Energy Efficiency & Renewable Energy
- Indoor Environmental Quality
- Sustainable Site Planning & Management
- Materials & Resources
- Water Efficiency
- Innovation
GTFS GREEN PROJECT CERTIFICATE

- 6 months validity period
- Only to be used to apply for financing under GTFS

Green Project Certificate
- Company Name
- Project Name
- Project Serial Number
- Category
- Sector
- GT Project Cost
- Issue Date & Validity
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total GTFS allocated to the scheme (RM)</td>
<td>3,500,000,000.00</td>
</tr>
<tr>
<td>Total financing (RM)</td>
<td>2,235,717,345.00</td>
</tr>
<tr>
<td>Balance of GTFS (RM)</td>
<td>1,264,282,655.00</td>
</tr>
<tr>
<td>Total number of projects financed</td>
<td>185</td>
</tr>
</tbody>
</table>
BREAKDOWN BY YEARS

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Projects Certified</th>
<th>Number of Projects Secured Financing</th>
<th>Amount of GT Certified (RM 'million')</th>
<th>Amount of Financing (RM 'million')</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>64</td>
<td>13</td>
<td>1,534.0</td>
<td>164.3</td>
</tr>
<tr>
<td>2011</td>
<td>53</td>
<td>22</td>
<td>890.0</td>
<td>394.6</td>
</tr>
<tr>
<td>2012</td>
<td>102</td>
<td>42</td>
<td>1,629.0</td>
<td>508.8</td>
</tr>
<tr>
<td>2013</td>
<td>71</td>
<td>43</td>
<td>903.0</td>
<td>514.3</td>
</tr>
<tr>
<td>2014</td>
<td>75</td>
<td>45</td>
<td>687.1</td>
<td>438.4</td>
</tr>
<tr>
<td>Apr-2015</td>
<td>14</td>
<td>20</td>
<td>221.7</td>
<td>215.4</td>
</tr>
</tbody>
</table>
BREAKDOWN BY FINANCIAL INSTITUTIONS

- Number of Projects
- Amount (RM)
## BREAKDOWN BY EE PROJECTS

<table>
<thead>
<tr>
<th>No.</th>
<th>Name of Financial Institutions</th>
<th>Number of Projects</th>
<th>Amount of Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SME Bank</td>
<td>1</td>
<td>8,843,052.00</td>
</tr>
<tr>
<td>2</td>
<td>Agro Bank</td>
<td>1</td>
<td>3,500,000.00</td>
</tr>
<tr>
<td>3</td>
<td>Ambank</td>
<td>1</td>
<td>2,100,000.00</td>
</tr>
<tr>
<td>4</td>
<td>AmIslamic</td>
<td>2</td>
<td>6,000,000.00</td>
</tr>
<tr>
<td>5</td>
<td>Bank Rakyat</td>
<td>1</td>
<td>4,435,000.00</td>
</tr>
<tr>
<td>6</td>
<td>CIMB Bank</td>
<td>2</td>
<td>7,800,000.00</td>
</tr>
<tr>
<td>7</td>
<td>HSBC Amanah</td>
<td>1</td>
<td>563,000.00</td>
</tr>
<tr>
<td>8</td>
<td>OCBC Al-Amin</td>
<td>1</td>
<td>5,000,000.00</td>
</tr>
<tr>
<td>9</td>
<td>RHB Bank</td>
<td>1</td>
<td>4,700,000.00</td>
</tr>
<tr>
<td>10</td>
<td>Standard Chartered</td>
<td>1</td>
<td>1,500,000.00</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td><strong>12</strong></td>
<td><strong>44,441,052.00</strong></td>
</tr>
</tbody>
</table>
## TYPE OF PROJECTS

<table>
<thead>
<tr>
<th>Type of Projects</th>
<th>Green Project Certificate</th>
<th>Projects with Secured Financing</th>
<th>Financing Amount (RM)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of Projects (%)</td>
<td>Number of Projects (%)</td>
<td></td>
</tr>
<tr>
<td>Solar Farm (RE)</td>
<td>4.0%</td>
<td>7.6%</td>
<td>450,176,640.00</td>
</tr>
<tr>
<td>Solar-BIPV System (RE)</td>
<td>27.2%</td>
<td>37.3%</td>
<td>409,223,010.00</td>
</tr>
<tr>
<td>Biomass Power Plant (RE)</td>
<td>5.0%</td>
<td>7.0%</td>
<td>406,878,610.00</td>
</tr>
<tr>
<td>Hydro Power Plant (RE)</td>
<td>4.0%</td>
<td>4.3%</td>
<td>264,858,250.00</td>
</tr>
<tr>
<td>Green Product Manufacturer</td>
<td>16.1%</td>
<td>12.4%</td>
<td>189,512,960.00</td>
</tr>
<tr>
<td>Biogas Power Plant (RE)</td>
<td>7.7%</td>
<td>7.6%</td>
<td>135,052,600.00</td>
</tr>
<tr>
<td>Waste Recycling</td>
<td>10.8%</td>
<td>8.6%</td>
<td>128,608,106.00</td>
</tr>
<tr>
<td>Pulp</td>
<td>1.8%</td>
<td>1.6%</td>
<td>97,500,000.00</td>
</tr>
<tr>
<td>Pellet Plant</td>
<td>5.5%</td>
<td>2.7%</td>
<td>61,345,117.00</td>
</tr>
<tr>
<td><strong>Energy Efficiency</strong></td>
<td><strong>10.6%</strong></td>
<td><strong>6.5%</strong></td>
<td><strong>44,441,052.00</strong></td>
</tr>
<tr>
<td>Compost</td>
<td>4.7%</td>
<td>2.2%</td>
<td>39,451,000.00</td>
</tr>
<tr>
<td>Dry Fiber</td>
<td>2.6%</td>
<td>2.2%</td>
<td>8,670,000.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>2,235,717,345.00</strong></td>
</tr>
<tr>
<td>Type of Sector</td>
<td>Number of Green Project Certificates</td>
<td>Projects with Secured Financing</td>
<td>Financing Amount (RM)</td>
</tr>
<tr>
<td>------------------</td>
<td>-------------------------------------</td>
<td>---------------------------------</td>
<td>-----------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of Projects</td>
<td>Percentage (%)</td>
</tr>
<tr>
<td>BUILDING</td>
<td>9</td>
<td>2</td>
<td>16.7%</td>
</tr>
<tr>
<td>ENERGY</td>
<td>22</td>
<td>5</td>
<td>41.7%</td>
</tr>
<tr>
<td>TRANSPORT</td>
<td>1</td>
<td>1</td>
<td>8.3%</td>
</tr>
<tr>
<td>WASTE &amp; WATER</td>
<td>8</td>
<td>4</td>
<td>33.3%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>40</strong></td>
<td><strong>12</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
As of 30 April 2015, 185 Green Projects have been funded by 26 banks, amounting to RM2.236 billion.

**GREEN INVESTMENTS:**
RM4.41 billion

**GREEN EMPLOYMENT:**
2,898 jobs

**GHG EMISSIONS REDUCTION:**
2.65 million tonnes CO₂
“Catalysing green technology deployment as Malaysia’s strategic engine for socio-economic growth”