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SABAH ASIA-PACIFIC IMPACT INVESTING FOR SUSTAINABLE DEVELOPMENT SUMMIT 2026

MONDAY, 13 JULY 2026, | 2.00 PM
THE MAGELLAN SUTERA RESORT, SABAH

[SALUTATION TO BE UPDATED]
Good afternoon dan Salam Malaysia Madani.

1. It is an honour and privilege to join you at the Sabah Asia-Pacific Impact Investing for Sustainable Development Summit 2026. I extend my sincere appreciation to the organisers for inviting me to address this distinguished gathering of policymakers, investors, business leaders, and sustainability champions from across the Asia-Pacific region.

2. Let me also thank the Sabah State Government, under the leadership of Yang Amat Berhormat the Chief Minister, for its warm hospitality.

Sabah's extraordinary natural capital makes it a fitting host for this critical dialogue.

3. This Summit convenes at a defining moment. Across the globe, we are confronted with interconnected challenges—from climate change and biodiversity loss to resource insecurity and widening socio-economic inequalities. Sustainable development is no longer merely an aspiration; it is an urgent necessity demanding bold leadership, innovative partnerships, and transformative investment. Malaysia remains firmly committed to advancing sustainable development through inclusive policies, green

growth, and the responsible stewardship of our natural resources.

4. It is my sincere hope that this Summit will inspire stronger regional partnerships and mobilise greater flows of impact-driven investment—investment that generates economic prosperity while safeguarding our shared natural heritage.

Honourable guests, ladies and gentlemen,

THE MANDATE FOR IMPACT INVESTING

5. The global climate crisis is no longer a distant threat; it is an immediate economic and ecological reality.

Traditional public funding and conventional philanthropic grants alone cannot bridge the massive multi-billion-dollar financing gap required to meet the Sustainable Development Goals (SDGs) and our national net-zero targets.

6. This summit arrives at a critical juncture, where the financial ecosystem must rapidly transition toward **Impact Investing**—a model where private capital intentionally drives measurable, positive environmental and social returns alongside competitive financial profit.

7. The Ministry of Natural Resources and Environmental Sustainability (NRES) mandate extends far beyond mere conservation. We are actively reshaping Malaysia's regulatory, legal, and economic frameworks to transform nature from a liability into a high-value, bankable asset class.

8. Our efforts are guided by the NRES Strategic Plan 2024–2030, anchored on critical pillars: biodiversity conservation, sustainable natural resource management, climate action, environmental protection, and green growth.

9. Our goal is to ensure economic growth aligns seamlessly with ecological resilience, providing the private sector with a robust pipeline of sustainable investments.

BUILDING MARKET INTEGRITY AND POLICY CERTAINTY

10. NRES is committed to providing the absolute policy certainty and market stability that institutional impact investors require to commit long-term capital. We are institutionalising robust, transparent frameworks for the Voluntary Carbon Market (VCM) and Green Finance, ensuring total environmental integrity, permanence, and alignment with Article 6 of the Paris

Agreement. Through strategic instruments like the National Carbon Market Policy (DPKK) and the National Climate Change Policy 2.0 (DPIN 2.0), we are establishing a carbon ecosystem that commands investor confidence and international recognition.

11. Crucially, we are also advancing the National Climate Change Bill (RUU Perubahan Iklim Negara - RUUPIN). This landmark legislation will provide a clear legal framework to coordinate climate mitigation and adaptation actions, significantly strengthening accountability across all sectors. This aligns perfectly with Malaysia's obligations under the Paris Agreement

and our core aspiration to achieve net-zero greenhouse gas emissions by 2050.

12. Upon its finalisation, Malaysia will be proud to stand as the second nation in ASEAN, and among only about 60 countries globally, to have enacted standalone, specific legislation dedicated to climate change.

13. Through close collaboration with state governments, most notably here in Sabah, NRES is facilitating the standardisation of high-integrity carbon credit registries. Whether it involves the world's first sustainable net-zero ecotourism development on Mengalum Island, the protection of the iconic

Heart of Borneo (HoB) Initiative, or the scaling up of UNESCO Man and the Biosphere reserves like the Crocker Range and Kinabatangan, NRES provides federal support to ensure these projects meet strict international benchmarks.

14. We are bridging the gap between local nature-based assets and global capital markets, enabling instruments like Blended Finance and the Social Stock Exchange to effectively de-risk green investments, pull in commercial capital, and scale up rural and nature transformations.

Ladies and gentlemen,

DIGITIZING THE GREEN GROWTH ECOSYSTEM

15. Transitioning to a nature-positive economy requires advanced technological deployment, verifiable data tracking, and urban-rural alignment. This is where our agency, the Malaysian Green Technology and Climate Change Corporation (MGTC), plays a pivotal role as the execution arm for green technology implementation.

16. MGTC supports Malaysia's green transformation by building the ecosystem needed to help businesses,

industries, and communities move toward a low-carbon future.

17. Green transformation needs clear pathways, practical solutions, and the right enabling infrastructure. MGTC brings together capacity building, technical support, digital solutions, financing opportunities, and market mechanisms to help organisations move from commitment to action.

18. Among its key initiatives, MGTC is developing the Greenhouse Gas Emissions Measurement, Reporting and Verification (MRV) Guidelines for the iron and steel and power generation sectors to strengthen emissions reporting and support the

implementation of Malaysia's National Climate Change Bill.

19. MGTC is also strengthening carbon market readiness through capacity building programmes, developing methodologies for technology-based carbon projects, and establishing the National Carbon Registry as a foundation for a credible and transparent carbon market.

20. These efforts connect policy, industry, technology, and investment to speed up the transition to a competitive, resilient, low-carbon economy.

UNLOCKING FOREST FINANCE AND SHARED PROSPERITY

21. While technology optimizes our transition, our vast tropical forests and rich biodiversity remain Malaysia's most potent defense against climate change. Malaysia proudly honors its commitment to maintain at least 50 percent of its land area under forest and tree cover, standing strong today at 54.40 percent. This commitment is exemplified in Sabah, which has long been at the forefront of Nature-based Solutions (NbS).

22. As early as the 1990s, Sabah pioneered large-scale forest restoration through the Innoprise-FACE Foundation Rainforest Rehabilitation Project (INFAPRO). Initially implemented in 1992 and subsequently recognized under international carbon-financing mechanisms in 2007, INFAPRO rehabilitates approximately 25,000 hectares of severely logged-over mixed dipterocarp rainforest in the Ulu Segama Forest Reserve through enrichment planting of indigenous tree species, forest restoration and sustainable forest management practices.

23. The project demonstrated that ecological restoration can simultaneously deliver climate, biodiversity, and socio-economic benefits.

24. Building on this legacy, Sabah continues to lead Malaysia's Nature-based Solutions agenda through the Kuamut Rainforest Conservation Project, the country's first internationally certified nature-based carbon project.

25. Covering more than 83,000 hectares of tropical rainforest, the project protects and restores critical forest ecosystems while generating high-integrity carbon

credits under globally recognized standards.

26. Since the issuance of its first verified carbon credits in 2024, followed by additional issuances in 2025, the project has generated more than 4.0 million verified carbon credits. This achievement reinforces Sabah's position as a pioneer in leveraging carbon finance to support forest conservation, biodiversity protection, and sustainable community development.

27. At the national level, the Malaysia Forest Fund (MFF) is our primary vehicle for unlocking innovative finance for conservation, specifically through

the development of Forest Carbon Projects, the Forest Carbon Offset (FCO) framework, and the institutionalization of Payment for Ecosystem Services (PES).

28. MFF is actively structuring investment-ready nature portfolios designed to attract international impact investors who demand high-integrity ecological assets. By establishing clear methodologies for forest carbon credits, MFF enables corporations to invest directly in conserving tropical forests, restoring degraded watersheds, and supporting biodiversity conservation.

29. Equally important is our commitment to ensuring that the benefits of conservation are shared fairly and inclusively. NRES and MFF place a heavy emphasis on Indigenous Stewardship and community empowerment, recognizing that indigenous peoples and local communities are the most effective custodians of our forests.

30. Therefore, MFF's financial models are structured to ensure that carbon revenue flows directly back into local communities. This capital supports sustainable livelihoods, builds resilient village economies, and funds nature-positive food economies, proving that

true conservation goes hand-in-hand with human development.

THE BLUE ECONOMY AND RIDGE-TO-REEF CAPITAL ALLOCATION

31. Our sustainability strategy does not stop at the coastline. NRES, alongside our agency partners, is rapidly expanding its focus toward the Blue Economy, recognizing that our oceans hold immense potential for climate mitigation and economic resilience. Sabah's extensive marine ecosystems, coral reefs, and mangrove forests present an immense opportunity for sustainable blue finance.

32. Through collaborative blue economy frameworks, we are promoting sustainable aquaculture, investing in blue carbon assets, and safeguarding marine biodiversity. Concurrently, we are tackling downstream land-based pollution directly. Through federal-state cooperation, NRES has initiated a nationwide phase-out of single-use plastic bags to curb plastic waste at the source and safeguard our marine environments.

33. By applying the combined strengths of NRES's policy frameworks, MGTC's green technological verification, and MFF's funding mechanisms, we are creating a holistic "Ridge-to-Reef" investment strategy. This approach

ensures that capital flows seamlessly from the highest mountain peaks to our deepest marine sanctuaries, addressing water archetypes, power microgrids, and watershed management as interconnected parts of a unified life-support system.

Ladies and gentlemen,

CONCLUSION

34. The synergy between NRES, MGTC and MFF represents a comprehensive, unified approach by the Malaysian Government to build a secure, transparent and highly credible arena for impact investing. We have laid the groundwork, established the

frameworks and deployed the technology.

35. To the impact investors, fund managers, and project developers present today: the project pitching sessions and closed-door meetings during this summit are your gateway to high-value, high-integrity ecological assets.

36. The market is ready, the pipelines are open, and the political will is absolute. We urge you to move past theoretical discussions and enter into binding, actionable partnerships over the course of this event.

37. It is my hope that this Summit will inspire greater climate literacy, stronger partnerships, and above all—continued action. Let us leverage the collective power of public policy, green technology, and dedicated nature finance to secure a sustainable, resilient, and prosperous future for the Asia-Pacific region.

38. In closing, I wish to express my deepest appreciation to the organisers of the Sabah Asia-Pacific Impact Investing for Sustainable Development Summit 2026, and to every one of you gathered in this hall today.

With that, I thank you. Terima kasih.