



Malakoff's transformation towards sustainability — 'enhancing life, powering communities'

A renewed purpose to advance the transition to cleaner energy and create sustainable solutions to better lives

by NUR HANANI AZMAN

LOCAL industry players are recalibrating the speed and scope of ongoing climate change efforts amid striving to grow their businesses, which is also in line with world leaders' pledge to power humanity with clean energy.

Additionally, consumers' demand for high standards of sustainability and quality of employment from businesses makes it obvious why environmental, social, and governance (ESG) is here to stay.

Malakoff Corp Bhd, a member of the MMC Group, has revealed to *The Malaysian Reserve (TMR)* its 10-year strategic transformation plan on thermal, renewable energy (RE), environmental services, water desalination and underlined by operational transformation and international expansion.

Malakoff MD/CEO Anwar Syahrin Abdul Ajib said ESG acts as an engine in the group's mission to be a responsible organisation, leading it to charge towards exploring RE sources and environmental services at full speed.

He told *TMR* that there is a transition in the thermal business, hence they cannot just change from who they were overnight.

Energy sustainability is based on three core dimensions — energy security, social equity, and environmental impact mitigation — which are creating a trilemma for countries and policymakers.

"The trilemma is at the heart of what our energy emission approach is. You cannot switch off coal and go straight to using solar. Before we get there, there must be something in between, namely gas, which is cleaner than coal.

The viability of thermal plants is still relevant in the energy industry. Thermal plants can produce electricity with higher efficiency and provide power supply security to the country.

Malakoff currently has a power generation and water production capacity of 6,424MW and 472,975 m³ respectively in Malaysia and the Middle East. Through Alam Flora Sdn Bhd,

the Group manages a solid waste volume of 4,145 tonnes per day.

Transitioning into Cleaner Energy

Prior to joining Malakoff, Anwar Syahrin was the MD/CEO of UEM Sunrise Bhd from Sept 1, 2014 to Oct 30, 2020. Shifting from the property to energy industry, Anwar Syahrin in his 11 months leading Malakoff has a vision of growing big in the solar sector.

"I envision us having 100MW solar farms in various locations across the country and internationally that come together with battery as well storage solutions. There is a lot of opportunities for us to explore. In a way, it is quite fun for me to go back to my engineering days. I had a great time in the property sector, creating townships and wonderful designs, but I had always enjoyed engineering very much," he added.

The global energy landscape is undergoing a profound transformation. From that angle, Anwar Syahrin said a lot of things must change in Malakoff.

"The way we work before will no longer be relevant in the future.

"In this global sector, Malakoff is competing against big companies but with innovative strategies, clear growth plans and the right talent, we can certainly succeed," he said.

Malakoff has made good progress with its RE expansion with one Large Scale Solar farm in Kulai, Johor and rooftop solar projects at Johor Port Bhd, Northport (M) Bhd, PMB Properties Sdn Bhd, Aeon Co (M), DRB-Hicom Group and UMW Group.

In July 2021, Malakoff signed a Memorandum of Understanding with Koperasi Polis Diraja Malaysia to assess the feasibility of jointly developing rooftop solar projects at selected PDRM premises in Peninsular Malaysia.

This would provide clients a solution to reduce electricity bills and to be more ESG-driven, therefore meeting their sustainability agenda.

Malakoff has also set long-term strategic targets of achieving 10,000MW of power generation capacity, 1,000,000 m³/day of water production capacity, 1,400MW of RE capacity and 10,000 tonnes/day of solid waste management by 2031.

Environmental Services of Tomorrow

On environmental services, Anwar Syahrin looks at how the Group can transition from dealing with solid waste collection to circular economy.

On Dec 5, 2019, Malakoff completed its acquisition of 97.37% equity interest in Alam Flora, marking the first step of a synergistic journey between Malakoff and Alam Flora to develop WTE projects and expand its role in waste management and environmental services.

"We foresee in the long term a 50:50 contribution from environmental and waste management including Waste to Energy (WTE).

"Recycling is an opportunity for us to reconsider how we can turn waste into raw material that can be reused for the production of goods," he said.

Alam Flora has taken a step further to be on par with developed countries by going beyond waste management through the implementation of several initiatives involving waste diversion and recovery, which includes the use of modern technologies.


Further Exploring International Opportunities

On the international front, Malakoff has a significant presence in Bahrain, Saudi Arabia and Oman, with a net capacity of 588MW of power production and 472,975 m³/day of water desalination.

Anwar Syahrin said Malakoff aims to grow internationally, focusing on the group's core businesses.

"Through the Shuaibah independent water plant, we supply 70% of the water used in the Jeddah region and Makkah, except for zam-zam water. It comes from the plant at which Malakoff has a big stake. We are already there and need to grow more.

"Our partner, ACWA Power, is the biggest player in the sector over there so we are looking at how to enhance our relationship and collaborate further," he added.



Anwar Syahrin envisions Malakoff having 100MW solar farms in various locations across the country that come together with battery as well as storage solutions