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Record of the facilitative sharing of views at the sixtieth session of the Subsidiary Body for Implementation: Malaysia

Note by the secretariat

Abbreviations and acronyms

BTR	biennial transparency report
BUR	biennial update report
CO ₂ eq	carbon dioxide equivalent
COP	Conference of the Parties
ETF	enhanced transparency framework under the Paris Agreement
FSV	facilitative sharing of views
GHG	greenhouse gas
ICA	international consultation and analysis
IPPU	industrial processes and product use
LULUCF	land use, land-use change and forestry
MRV	measurement, reporting and verification
NDC	nationally determined contribution
non-Annex I Party	Party not included in Annex I to the Convention
SBI	Subsidiary Body for Implementation

I. Background and mandate

1. COP 16 decided that ICA of BURs from non-Annex I Parties would be conducted under the SBI in a manner that is non-intrusive, non-punitive and respectful of national sovereignty, with the aim of increasing the transparency of mitigation actions and their effects reported by those Parties.¹
2. COP 17 adopted the ICA modalities and guidelines,² according to which the ICA process consists of two steps: technical analysis of non-Annex I Parties' BURs by teams of technical experts, resulting in a summary report for each Party; and FSV, to which the BURs and summary reports serve as input.³
3. Pursuant to the ICA modalities and guidelines, the sixteenth FSV workshop was convened at SBI 60 on 5 June 2024 in Bonn for the following eight non-Annex I Parties for

¹ Decision 1/CP.16, para. 63.

² Decision 2/CP.17, annex IV.

³ Decision 2/CP.17, annex IV, para. 3.

which there was a BUR and final summary report⁴ by 3 April 2024: Bosnia and Herzegovina, Democratic Republic of the Congo, Gabon, Malaysia, Mexico, Sao Tome and Principe, Singapore and Somalia.

4. Two three-hour sessions were chaired by the SBI Rapporteur, Aysin Turpanci, and open to all Parties.

5. As one of the participating Parties, Malaysia received 14 written questions in advance of the FSV workshop⁵ from Australia, the European Union, Japan, New Zealand, the United Kingdom of Great Britain and Northern Ireland and the United States of America and addressed them via the FSV portal. This FSV record for Malaysia summarizes the proceedings and, together with the summary report on the technical analysis of its fourth BUR,⁶ constitutes the outcome of the fourth round of ICA for the Party.

II. Summary of proceedings

6. On 5 June 2024 Malaysia made a brief presentation on its fourth BUR. The presentation was followed by a question and answer session.

7. Malaysia was represented by Ching Thoo a/l Kim from the Ministry of Natural Resources and Environmental Sustainability.

8. Malaysia presented an overview of its national circumstances and institutional arrangements, national inventory of anthropogenic emissions by sources and removals by sinks of all GHGs not controlled by the Montreal Protocol, mitigation actions and their effects, support needed and received, and preparations at the national level for implementing the ETF.

9. Malaysia highlighted that its total GHG emissions in 2019 were 330,358.21 Gg CO₂ eq, which increased between 2005 and 2019 by 32.1 per cent without emissions and removals from LULUCF and by 118 per cent with emissions and removals from LULUCF, owing mainly to increased emissions from the IPPU sector. The Party explained that this increase was due to increased numbers of metal industry plants being installed in the country. Malaysia presented the completeness of its reporting on categories of emissions and its reporting of inventory data covering the three years prior to the submission of the BUR as improvements since its previous BUR.

10. Malaysia presented its NDC target under the Paris Agreement, updated in 2021, which is to achieve a 45 per cent reduction in carbon intensity against its gross domestic product by 2030 compared with the 2005 level. The Party also has a long-term goal to achieve net zero emissions by 2050. Malaysia presented key policies and measures for achieving its NDC target, including increasing the share of renewable energy in the energy mix and improving energy efficiency in the energy sector and implementing sustainable forest management practices in the LULUCF sector. The Party highlighted that, in 2019, it achieved a total emission reduction including LULUCF of 48,040.54 Gg CO₂ eq. In addition, it highlighted that its 169 clean development mechanism projects to date have brought about emission a reduction of 55,214,629.91 Mt CO₂ eq with the total certified emission reductions issued amounting to 13,777,247 CERs. Malaysia presented the inclusion of mitigation actions from the IPPU and agriculture sectors in its BUR as an improvement since its previous BUR.

11. Furthermore, Malaysia provided information on support needed and received. In terms of support received, it highlighted that its substantial national resources allocated to enhancing national climate action were complemented by capacity-building, technical and financial support from the international community, including the Global Environment Facility, the Green Climate Fund and other multilateral and bilateral funds. This support was aimed at helping Malaysia to fulfil its obligations under the Convention and implement mitigation actions. In terms of support needed, the Party reported that this mainly concerns

⁴ The BURs and summary reports for each ICA cycle are available at <https://unfccc.int/BURs> and <https://unfccc.int/ICA-reports> respectively.

⁵ As per decision 2/CP.17, annex IV, para. 6.

⁶ FCCC/SBI/ICA/2023/TASR.4/MYS.

financial support for developing and implementing technology in multiple sectors, including energy, waste, IPPU and LULUCF. The Party also underscored its commitment to good governance and outlined the key elements of its domestic MRV arrangements.

12. Malaysia presented information on its current initiatives for enhancing its institutional arrangements for compliance with requirements under the ETF. The initiatives relate to strengthening national policies through a new action plan, establishing a legal framework for ensuring access to adequate resources, strengthening institutional capacity and formalizing new roles, responsibilities and resources that promote transparency in the long term.

13. Following the presentation, the following Parties made interventions commending Malaysia on its efforts and asked questions seeking further clarification: Australia, Brazil, China, European Union, Germany, India, Japan, Netherlands (Kingdom of the), Republic of Korea, Singapore, Sweden, Türkiye, United Kingdom and United States.

14. Questions on the GHG inventory related to lessons learned in relation to enhancing sustainable forest management and land-use change assessments; challenges in estimating GHG emissions; the function of the GHG information management system; and status on developing national emission factors.

15. In response, Malaysia explained that reducing the wood harvesting volume to increase the sink and enhancing understanding of the dynamics between land use and land-use change were key lessons learned in relation to enhancing sustainable forest management and land-use change assessments; that the lack of availability of data needed to apply the appropriate Intergovernmental Panel on Climate Change methodologies presented a challenge in estimating emissions for all sectors; that the primary function of the GHG information management system is to ensure that Malaysia fulfils its reporting obligations consistently with the modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement; and that country-specific emission factors are important for enhancing the accuracy of GHG inventory data, with additional capacity-building needed in this regard.

16. Questions on mitigation actions and their effects related to challenges in conducting analyses to identify mitigation scenarios; additional measures put in place for implementing the NDC; needs and challenges pertaining to implementing mitigation actions in the IPPU sector; the use of renewable technology to achieve mitigation effects in the energy sector; and progress in reducing emissions in the transport sector.

17. In response, Malaysia explained that it predominantly faced challenges in strengthening its institutional arrangements for estimating GHG emissions and its MRV arrangements for collecting data, in applying methodologies for estimating emissions and in developing long-term projection analyses for the ex ante assessment of emissions reduction to inform evidence-based decision-making; that its energy transition road map is an additional measure put in place for implementing the NDC; that it faces challenges in abating emissions in the iron and steel industries and requires methodologies for estimating emission reductions in the IPPU sector; that technologies transfer is critical to increase the country's renewable energy mix to 20 per cent by 2050 as well as the hydrogen and natural gas mix; that actions for decarbonizing the iron, cement and mining industries are needed in the IPPU sector; and that it plans to implement an affordable pricing mechanism to encourage the use of the railway system and green mobility options.

18. Questions on constraints and gaps, and related needs pertained to capacity-building needs and in relation to BTR preparation.

19. In response, Malaysia explained that it requires capacity-building support for projecting and reporting GHG inventory data covering the three years prior to the submission of the GHG inventory in preparing its first BTR.

20. Other questions related to the submission of the first BTR; the institutional arrangements involved in the preparation; and lessons learned from preparing the fourth BUR that will inform the preparation of the first BTR. In response, Malaysia explained that it plans to submit its first BTR by the end of 2024; that its institutional arrangements for collecting data for its reporting under the UNFCCC are sufficient; and that strong leadership across 14

states in the country resulted in a data-collection and capacity-building agreement that ultimately ensured the timely submission of the BUR, which is a key lesson learned that will be applied to the preparation of the BTR.

21. The presentation and subsequent interventions, including the questions asked and the answers provided during the FSV workshop, are accessible via the webcast of the workshop.⁷

22. In closing the workshop, the SBI Chair congratulated Malaysia for successfully undergoing FSV and completing the fourth round of the ICA process. He thanked Malaysia and all other participating Parties for engaging in the workshop in a facilitative manner. He also thanked the secretariat for its support.

⁷ Available at https://unfccc-events.azureedge.net/SB60_99842/agenda.