



KENYATAAN MEDIA

Media Statement

Green Initiatives and Incentives in Budget 2023 will foster Malaysia's Sustainability Agenda.

A steadfast strategy to further propel the country towards becoming a carbon-neutral nation as early as 2050 is how Malaysian Green Technology & Climate Change Corporation (MGTC) sees Budget 2023. In his speech, Prime Minister Datuk Seri Anwar Ibrahim, also Finance Minister, announced several allocations under the sustainability initiative to smoothen the transition towards the deployment of **Malaysia Madani**.

“It is inspiring to see the government making substantial provisions to enhance environmental sustainability. MGTC will support this progress to conserve and restore nature through green technology, shared Ts Shamsul Bahar Mohd Nor, Group CEO of MGTC.” He added, “I reverberated the Prime Minister’s statement that we can no longer continue business as usual. Planetary health needs to be considered in the national development agenda.”

In the proposal, the government will continue the successful Green Technology Financial Scheme (GTFS) and increase the total financing to RM3 billion to be utilised from 2023 to 2025. This initiative is expected to attract more developers to produce low-carbon infrastructure facilities and green buildings, as well as drive the growth of enterprises that support the implementation of circularity.

Meanwhile, to promote green investment, the government proposed to extend the incentive application period of Green Investment Tax Allowance (GITA) and Green Income Tax Exemption (GITE) until 31 December 2025. The eligibility for GITA asset applications, projects, and services will also be expanded. Since 2016, this initiative has successfully led to an investment of RM5.19 billion, reducing 10.74 million tCO₂e and contributing to operational cost savings of RM879.97 million per year for 1,091 companies.

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“We welcome the optimistic development in the EV space where more charging facilities will be installed in focal locations. The excise duty and sales tax exemption for locally assembled (CKD) EVs have also been extended until December 31, 2027—likewise, the import tax exemption period for components used in local CKD assembly of EVs. At the same time, manufacturers of EV charging equipment will be given a 100% income tax exemption on statutory income or a 100% Investment Tax Allowance. This plan will promote the development of the local EV industry and support EV adoption in our country.” Ts Shamsul Bahar further explained.

Profoundly, Budget 2023 addresses crucial areas to help ensure that the country continues to develop and achieve commendable green economic expansion. With our expertise and capacity, MGTC will implement all the initiatives effectively to help steer our country toward achieving the 2030 Sustainable Development Goals. We strongly urge the industry players to support these incentive proposals to foster economic growth and development while ensuring our natural assets continue to thrive.

Ts. SHAMSUL BAHAR MOHD NOR

Group Chief Executive Officer

Malaysian Green Technology and Climate Change Corporation (MGTC)