

# Bursa's carbon exchange to be operational by year-end: Abdul Wahid Omar

By [Asila Jalil](#) - November 9, 2022 @ 5:53pm



Bursa Malaysia chairman Tan Sri Abdul Wahid Omar said it was crucial to support industries that can generate economic progress and environmental change. NSTP/HAIRUL ANUAR RAHIM

KUALA LUMPUR: Bursa Malaysia's Voluntary Carbon Market (VCM) will be operational by way of auction before year-end.

Bursa Malaysia chairman Tan Sri Abdul Wahid Omar said it was crucial to support industries that can generate economic progress and environmental change.

"This is where Bursa Malaysia's VCM will have a key role to play. The VCM will be operational very soon, by way of auction before year-end.

"On this note, I strongly urge corporates to be among the auction's early participants, to demonstrate their leadership in climate action," he said at Invest Malaysia Series 2.

Abdul Wahid said VCM facilitated price discovery for new products by serving as a reference price for carbon credit trading and generating tangible price signals for potential issuers to embark on domestic carbon credits projects.

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"A healthy ecosystem is crucial, besides government and other project developers, financial institutions have a large role here.

"Investments in the right projects are key to driving a sustainable supply of carbon credits and making it widely accessible," he said.

On the electric vehicle (EV) segment in Malaysia, he noted that Proton Holdings Bhd and Perusahaan Otomobil Kedua Sdn Bhd were expected to make great inroads into affordable and mid-range vehicles, given their connection to global automotive manufacturing giants namely Toyota and Geely.

He cited a Macquarie Research on Malaysia mobility which stated that the EV market in the country for both hybrid and battery EV was estimated to grow at a compounded annual growth rate (CAGR) of more than 31 per cent by 2030, compared to a total industry volume of two per cent.

The study revealed that EV penetration is estimated to be 17 per cent of new annual sales during the period.

"EVs have a unique advantage, whereby the more it is adopted as the choice of the masses, the greater its effect and the demand creation in various other industries.

"It has the potential to become a virtuous cycle by attracting and assisting in the development of talent, skill and technologies or innovations that are needed by almost every sector," said Abdul Wahid.

He added that EVs can also create numerous spin-off benefits for sectors where vehicles are essential tools of their trade such as public transport, industrial transport, delivery services and many others.