

AUSTRALIA-MALAYSIA: COLLABORATING ON QUALITY INFRASTRUCTURE



Australian Government

Department of Foreign Affairs and Trade



Partnerships for
INFRASTRUCTURE
AN AUSTRALIAN GOVERNMENT INITIATIVE

AUSTRALIA–MALAYSIA: COLLABORATING ON QUALITY INFRASTRUCTURE



Partnerships for Infrastructure (P4I) is an Australian Government initiative partnering with Southeast Asia to foster inclusive growth through sustainable infrastructure.

Since 2022, P4I has worked with Malaysia’s Ministry of Transport (MOT), Sarawak Energy Berhad (SEB), and Tenaga Nasional Berhad (TNB) to foster quality infrastructure development in transport connectivity and clean energy. In addition, Sarawak’s Ministry of Utility and Telecommunications, Ministry of Energy Transition and Water Transformation, and Energy Commission, have each participated in knowledge exchange and study tours to expand and build Australian–Malaysian collaboration.

Core to the principles of modern, resilient infrastructure, P4I supports policy and regulatory reform that embeds climate and disaster resilience and enhances inclusion and accessibility.

Delivering Results

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Australian organisations and 7 Philippines counterpart organisations supported to engage in direct technical and policy exchanges to advance priority infrastructure issues in the region.

260+

infrastructure professionals per year from Philippines have built deeper technical and policy understanding in collaboration with Australian infrastructure professionals.

This has led to a range of policy and planning reforms and improved infrastructure investment outcomes, including:

- At the ASEAN–Australia Special Summit (March 2024), Prime Minister Anthony Albanese of Australia and Prime Minister Anwar Ibrahim of Malaysia released a joint statement welcoming the expansion of bilateral cooperation on green shipping, maritime decarbonisation, and clean energy transition.
- To accelerate a just, inclusive energy transition, Malaysia’s launched the National Energy Transition Roadmap (NETR) in 2023. It sets out how Malaysia will move towards a high-value green economy that also provides energy security. P4I provides technical assistance to Ministries and energy utilities in Malaysia to support this ambition.
- P4I worked with the Ministry of Transport (MOT) to establish the business case for investment in low-carbon marine fuels. This work informed MOT’s contribution to the NETR, which proposes 40 per cent low-carbon fuel penetration in marine transport by 2050. P4I and MOT are now working on enhancing regulatory readiness and identifying policy pathways to unlock investment. Recognising the need for a whole-of-government approach, MOT elevated the issue to Cabinet with P4I’s support, resulting in approval to develop

the Green Bunkering Regulatory Roadmap in November 2024. P4I engagement also initiated dialogue between the Port of Melbourne and Port of Tanjung Pelepas to establish a MoU to advance green bunkering and port decarbonisation.

- P4I is working with the Malaysian state-owned utility Sarawak Energy Berhad (SEB) to drive sustainable energy storage deployment – a keystone for integrating intermittent renewable sources to enable Sarawak to quadruple renewable energy generation capacity by 2035. This work is part of expanding regional energy

integration (including through the ASEAN Power Grid initiative) and will help meet cross-border renewable energy demands.

- P4I facilitated a joint research partnership on tropical battery energy storage systems with Malaysia's Sustainable Energy Development Authority (SEDA) and Australia's Commonwealth Scientific and Industrial Research Organisation (CSIRO). The research investigates the impact of the typical hot and humid conditions in the tropics on various battery chemistries and technologies. It will be finalised by Q3 2025.

Continuing commitment to Malaysia's infrastructure priorities

Through P4I, Australia is committed to supporting Malaysia accelerate its transition towards a green economy. This will be achieved through improved policy and regulation to unlock financing and investment in clean energy and decarbonisation, including:

Enabling greener, smarter maritime transport by deepening support to Malaysia to identify regulatory reforms required to unlock the potential of green bunkering and investment.

Accelerating a just, inclusive energy transition by ensuring decision-making and practice are grounded in robust understanding of inclusive, sustainable and resilient outcomes.

Promoting Malaysia's leadership in the Association of Southeast Asian Nations (ASEAN) by supporting Malaysia to build regional commitment towards quality infrastructure development, specifically on clean energy and climate-resilient connectivity.

Partnership highlight: Unlocking Malaysia's clean energy potential

P4I collaborated with the Australian National University (ANU), as well as SEB and TNB, to explore the potential of Pumped Hydro Energy Storage (PHES) in Malaysia. Adopting PHES can accelerate energy transition by addressing renewable energy intermittency, enabling the scale-up of large-scale solar and wind deployment. The goal is to raise awareness of the potential energy security and economic benefits of PHES, and to explore opportunities for Australian support in developing PHES projects.

P4I's engagement focused on raising awareness among stakeholders about the economic and technical benefits of PHES while identifying opportunities for Australian expertise to support Malaysia's energy storage development. A significant milestone in this collaboration was the formal exchange of letters between Australia's High Commissioner to Malaysia, H.E. Ms Danielle Heinecke, and Datuk Haji Sharbini Suhaili, Group Chief Executive Officer of Sarawak Energy, solidifying SEB's commitment to strategic energy storage analysis.

The partnership is designed to:

Guide the effective deployment of energy storage and renewable technologies.

Identify viable storage solutions suited to Sarawak's unique energy landscape.

Enhance SEB's capacity to model optimal energy storage levels.

Support investment in renewable energy technologies.

Partnerships for Infrastructure (P4I)

Partnerships for Infrastructure (P4I) is one of Australia's flagship infrastructure development initiatives in Southeast Asia. P4I partners with Cambodia, Indonesia, Laos, Malaysia, Philippines, Thailand, Timor-Leste, Vietnam and the Association of Southeast Asian Nations (ASEAN) to attract quality investment, address infrastructure gaps and drive inclusion and climate-resilient development.

P4I does this by providing infrastructure advisory services, facilitating technical knowledge exchanges, building partners' technical capacity and supporting government-to-government and other partnerships between Australian and Southeast Asian organisations.

Delivered through a single team, P4I is led by the Australian Department of Foreign Affairs and Trade in collaboration with Ernst and Young, Adam Smith International, The Asia Foundation and Ninti One.

