

**PAPER FOR APPROVAL**  
**MPC BOARD OF MANAGEMENT (BOM)**

<b>TITLE</b>	Enhancing Productivity and Competitiveness Through Energy Efficiency: Reviewing Energy Performance Contract (EPC) & Building Code for Non-Residential Buildings
<b>DATE / DURATION</b>	1 February – 30 June 2024
<b>BACKGROUND AND OBJECTIVES</b>	<p>The Energy Performance Contract (EPC) is a performance contract that allows organizations to upgrade their facilities to be more energy-efficient without having to spend money upfront. The cost of the improvements is paid back over time using the savings generated by reduced energy consumption.</p> <p>According to the 2023 World Competitiveness Ranking report for the Energy Intensity indicator, Malaysia's position is 57th out of 64 economies. Addressing the performance of these indicators is essential for improving our standings and, more importantly, our environmental health and sustainability.</p> <p>In line with Energy Efficiency and Conservation Bill, the affected industries will have to collect, monitor, audit energy consumption. The new requirement will require additional effort from the demand side to improve the usage of energy.</p> <p>Based on recent PEMUDAH meeting on 16 Jan 2024, the meeting agreed that MPC to explore on:</p> <ul style="list-style-type: none"> <li>i. working with relevant ministries/agencies to explore a new policy for EE;</li> <li>ii. collaborating with KPKT, Developers, Principle Submitting Persons (PSP) and SP on complying with MS1525;</li> <li>iii. exploring financial assistance with Bank Negara, local banks or financial institution and ESCOs to support SPC; and</li> <li>iv. engaging with JKR and AG on how to execute EPC on government buildings.</li> </ul> <p>If these initiatives works well (exclude transportation sector), we are expecting to reduce up to 20% of total energy consumption.</p> <p>The objectives of the project are:</p> <ul style="list-style-type: none"> <li>i. to ensure EE is to be recognised as one of Green Products;</li> <li>ii. to allow banks or financial institutions to give attractive interest rate;</li> <li>iii. to remove collateral requirement in loan application;</li> </ul>

	<ul style="list-style-type: none"> <li>iv. to develop sound EPC for government buildings;</li> <li>v. to develop model to developer/PSP to design EE buildings; and</li> <li>vi. to explore to develop National Policy for EE and identify right authority to govern transportation sector.</li> </ul> <p>This project is in line with NIMP, RMK12, NETR and MPB.</p>									
<b>METHODS OF IMPLEMENTATION</b>	Using PDCA model									
<b>STAKEHOLDERS</b>	<ol style="list-style-type: none"> <li>1) Ministries (KE, MITI, ST, JKR)</li> <li>2) Financial Institution</li> <li>3) MPC Nexus (EEP, LPN, TPN)</li> <li>4) MAESCO</li> </ol>									
<b>EXPECTED OUTCOME</b>	<ol style="list-style-type: none"> <li>1) Collaboration with potential related government agencies and industry stakeholders</li> <li>2) Understanding on how energy efficiency can enhance productivity in selected industries (NEXUS pilot project – EEP, LPN, TPN)</li> <li>3) To understand ways to improve and reduce energy consumption.</li> <li>4) To foster a sense of responsibility toward the environment by contributing to sustainability goals and corporate social responsibility</li> </ol>									
<b>EXPECTED OUTPUT</b>	<ol style="list-style-type: none"> <li>1) Energy Performance Contract (EPC) model</li> <li>2) Recommendation report (for action plans)</li> </ol>									
<b>TARGET GROUP</b>	<ol style="list-style-type: none"> <li>1) ST, JKT, KPKT, PBT, JKR, MAESCO</li> <li>2) KE, MITI</li> <li>3) Financial Institution</li> <li>4) MPC Nexus (COBEN, EEP, AutoPN)</li> <li>5) Other related government agencies</li> </ol>									
<b>BUDGET / ESTIMATED COST</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">RM40</td><td style="padding: 2px;">:</td><td style="padding: 2px;">RM177,600</td></tr> <tr> <td style="padding: 2px;">Operating Expenses (OE) (Mileage Claim/ Grab/ Teksi/ Food Allowance)</td><td style="padding: 2px;">:</td><td style="padding: 2px;">RM6,000</td></tr> <tr> <td style="padding: 2px; text-align: right;"><b>Total</b></td><td style="padding: 2px;">:</td><td style="padding: 2px; text-align: right;"><b>183,600</b></td></tr> </table>	RM40	:	RM177,600	Operating Expenses (OE) (Mileage Claim/ Grab/ Teksi/ Food Allowance)	:	RM6,000	<b>Total</b>	:	<b>183,600</b>
RM40	:	RM177,600								
Operating Expenses (OE) (Mileage Claim/ Grab/ Teksi/ Food Allowance)	:	RM6,000								
<b>Total</b>	:	<b>183,600</b>								
	Note: Details, please refer to <b>Appendix 1 - 3</b>									
<b>INCOME (RM) – IF ANY</b>	-									
<b>RECOMMENDATION</b>	Approval from the BOM is being sought to endorse a budget of RM183,00									
<b>UNIT / DIVISION</b>	Modern Management & Energy Efficiency									

\*\*Please attach other relevant information if necessary.

(Examples: Program agenda, cost details, risk plan, diagrams, plan sketches, name lists, Gantt charts, etc.)

Only for applications that use Development Budget from other Units/Divisions.

This column can be ignored if it is not relevant.

**SUPPORTED BY:**

Position:

Budget Name:

Date:

**PREPARED BY:**

**DANIAL AMEERUL ROSMAN**  
Assistant Manager, MPC  
Date:

**CHECKED BY:**

**SAFNIWATI JASRI**  
Deputy Director, MPC  
Date:

**APPROVED BY:**

**MOHD YAZID ABDUL MAJID**  
Director, MPC  
Date:

**ESTIMATED BUDGET**

Enhancing Productivity and Competitiveness Through Energy Efficiency: Reviewing Energy Performance Contract (EPC) & Building Code for Non-Residential Buildings

<b>Program</b>	<b>Date</b>	<b>Amount (RM)</b>
Workshop 1	16 Feb. 2024	20,600
Workshop 2	April	29,400
Workshop 3	April	29,400
Workshop 4	May	45,400
Workshop 5	June	29,400
Workshop 6	June	29,400
<b>Total</b>		<b>183,600</b>

WORKSHOP #1

**BUDGET / ESTIMATED COST**

**WORKSHOP ON ENHANCING PRODUCTIVITY AND COMPETITIVENESS  
THROUGH ENERGY EFFICIENCY: REVIEWING ENERGY PERFORMANCE  
CONTRACT (EPC)  
&  
BUILDING CODE FOR NON-RESIDENTIAL BUILDINGS**

**16 FEBRUARY, FRIDAY  
8.30am – 5.00pm  
DORSETT PUTRAJAYA**

No.	Item	Cost / Unit	Pax	Quantity	Total (RM)
<b>A. DEVELOPMENT BUDGET</b>					
<b>1) Workshop on Enhancing Productivity and Competitiveness Through Energy Efficiency: Reviewing Energy Performance Contract (EPC) &amp; Building Code for Non-Residential Buildings</b>					
i.	Fasilitator	RM1,800	1	4	7,200
ii.	Expert	RM400	1	8 hours	3,200
iii	Report Writing	RM200	1	10 pages (min)	2,000
iv.	Oneday Workshop (full day meeting)	RM180	40	1 time	7,200
<b>Total A</b>					<b>19,600</b>
<b>B. OPERATIONAL BUDGET</b>					
i.	Mileage Claim/ Grab/ Teksi/ Food Allowance	-	-	-	1,000
<b>Total B</b>					<b>1,000</b>
<b>Grand Total (A + B)</b>					<b>20,600</b>

WORKSHOP #2

No.	Item	Cost / Unit	Pax	Quantity	Total (RM)
<b>A. DEVELOPMENT BUDGET</b>					
<b>2) WOKRSHOP 2</b>					
i.	Fasilitator	RM1,800	1	4	7,200
ii.	Expert	RM400	1	8 hours	3,200
iii	Report Writing	RM200	1	10 pages (min)	2,000
iv.	2Days 1Night Workshop (full day meeting & accommodation)	RM400	40	1 time	16,000
<b>Total A</b>					<b>28,400</b>
<b>B. OPERATIONAL BUDGET</b>					
i.	Mileage Claim/ Grab/ Taksi/ Food Allowance	-	-	-	1,000
<b>Total B</b>					<b>1,000</b>
<b>Grand Total (A + B)</b>					<b>29,400</b>

WORKSHOP #3

No.	Item	Cost / Unit	Pax	Quantity	Total (RM)
<b>A. DEVELOPMENT BUDGET</b>					
<b>3) WOKRSHOP 3</b>					
i.	Fasilitator	RM1,800	1	4	7,200
ii.	Expert	RM400	1	8 hours	3,200
iii	Report Writing	RM200	1	10 pages (min)	2,000
iv.	2Days 1Night Workshop (full day meeting & accommodation)	RM400	40	1 time	16,000
<b>Total A</b>					<b>28,400</b>
<b>B. OPERATIONAL BUDGET</b>					
i.	Mileage Claim/ Grab/ Taksi/ Food Allowance	-	-	-	1,000
<b>Total B</b>					<b>1,000</b>
<b>Grand Total (A + B)</b>					<b>29,400</b>

WORKSHOP #4

No.	Item	Cost / Unit	Pax	Quantity	Total (RM)
<b>A. DEVELOPMENT BUDGET</b>					
<b>4) WOKRSHOP 4</b>					
i.	Fasilitator	RM1,800	1	4	7,200
ii.	Expert	RM400	1	8 hours	3,200
iii	Report Writing	RM200	2	10 pages (min)	2,000
iv.	3Days 2Night Workshop (full day meeting & accommodation)	RM400	40	2 time	32,000
<b>Total A</b>					<b>44,400</b>
<b>B. OPERATIONAL BUDGET</b>					
i.	Mileage Claim/ Grab/ Taksi/ Food Allowance	-	-	-	1,000
<b>Total B</b>					<b>1,000</b>
<b>Grand Total (A + B)</b>					<b>45,400</b>

WORKSHOP #5

No.	Item	Cost / Unit	Pax	Quantity	Total (RM)
<b>A. DEVELOPMENT BUDGET</b>					
<b>5) WOKRSHOP 5</b>					
i.	Fasilitator	RM1,800	1	4	7,200
ii.	Expert	RM400	1	8 hours	3,200
iii	Report Writing	RM200	1	10 pages (min)	2,000
iv.	2Days 1Night Workshop (full day meeting & accommodation)	RM400	40	1 time	16,000
<b>Total A</b>					<b>28,400</b>
<b>B. OPERATIONAL BUDGET</b>					
i.	Mileage Claim/ Grab/ Taksi/ Food Allowance	-	-	-	1,000
<b>Total B</b>					<b>1,000</b>
<b>Grand Total (A + B)</b>					<b>29,400</b>

WORKSHOP #6

No.	Item	Cost / Unit	Pax	Quantity	Total (RM)
<b>A. DEVELOPMENT BUDGET</b>					
<b>6) WORKSHOP 6</b>					
i.	Fasilitator	RM1,800	1	4	7,200
ii.	Expert	RM400	1	8 hours	3,200
iii	Report Writing	RM200	1	10 pages (min)	2,000
iv.	2Days 1Night Workshop (full day meeting & accommodation)	RM400	40	1 time	16,000
<b>Total A</b>					28,400
<b>B. OPERATIONAL BUDGET</b>					
i.	Mileage Claim/ Grab/ Taksi/ Food Allowance	-	-	-	1,000
<b>Total B</b>					1,000
<b>Grand Total (A + B)</b>					<b>29,400</b>

**AGENDA**  
**ENHANCING PRODUCTIVITY AND COMPETITIVENESS THROUGH ENERGY EFFICIENCY:**  
**REVIEWING ENERGY PERFORMANCE CONTRACT (EPC) & BUILDING CODE FOR NON-**  
**RESIDENTIAL BUILDINGS**

**16 FEBRUARY, FRIDAY**

**8.30am – 5.00pm**

**DORSETT PUTRAJAYA**

Time	Program	By
8.30 a.m.	Arrival and Registration	MPC
9.00 a.m.	Welcoming Remarks	MPC
9.10 a.m.	Overview of National Productivity and World Competitiveness Ranking <ul style="list-style-type: none"> <li>– Status and targets</li> <li>– Energy intensity and effects of energy efficiency in WCR</li> </ul>	MPC
9.40 a.m.	National Energy Transition Roadmap <ul style="list-style-type: none"> <li>– Energy efficiency target in industry and commercial sectors</li> <li>– Key initiatives linked to ESCO platform</li> <li>– Cross-cutting enablers</li> </ul>	Ministry of Economy
10.10 a.m.	Morning Break	
10.30 a.m.	National Energy Efficiency Action Plan <ul style="list-style-type: none"> <li>– Progress and achievements</li> <li>– Key enablers</li> </ul>	Ministry of Energy Transition and Public Utility/Energy Commission
11.00 a.m.	Overview of EPC Business Model <ul style="list-style-type: none"> <li>– Concept and implementation mechanism</li> <li>– Success stories and challenges</li> </ul>	Associate Expert - MPC
12.00 p.m.	Discussion and Grouping	
1.00 p.m.	Lunch break	
2.45 p.m.	Workshops <ul style="list-style-type: none"> <li>Group 1: EPC at government buildings</li> <li>Group 2: EPC in the private sector</li> </ul>	All participants
3.30 p.m.	Evening Break	
3.45 p.m.	Group presentations and discussion	All participants
4.40 p.m.	Wrap-up and what's next?	
5.00 p.m.	End of workshop	

## APPENDIX 3

### List of Participants

No.	Ministry /Agency / Association / Industry	Pax
1.	Ministry of Economy (KE)	2
2.	Ministry of International Trade and Industry (MITI)	2
3.	Energy Commission (ST)	2
4.	JKT	2
5.	DBKL	2
6.	Ministry of Housing and Local Government (KPKT)	2
7.	Kementerian Peralihan Tenaga dan Daya Guna Awam (KPTDGA)	2
8.	Bank Negara Malaysia (BNM)	2
9.	Malaysia Association of Energy Service Companies (MAESCO)	3
10.	Credit Guarantee Corporation Malaysia Berhad (CGC)	2
11.	Malaysia Debt Ventures Berhad (MDV)	2
12.	Alliance Bank	2
13.	MPC	17
14.	DG Office	(2)
15.	EEPEN	(2)
16.	LPN	(2)
17.	TPN	(2)
18.	BTI	(2)
19.	Modern Management & Energy Efficiency	(5)
20.	BTI	(2)
	<b>Total</b>	<b>40</b>