



Socio-Economic  
Research Centre  
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# **National Carbon Market Policy (NCMP)**

A New Chapter in Malaysia's Climate Policy

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## Key Thrusts

**The NCMP provides a structured framework to catalyse cost-effective climate action through a high-integrity, inclusive carbon market** that accelerates national decarbonisation goals.

**It supports Malaysia's Nationally Determined Contributions (NDC) 3.0 target to reduce absolute emissions by 15 to 30 million tCO<sub>2e</sub> by 2035**, through both domestic initiatives and international cooperation.

**The policy is anchored on four pillars:**

- (i) Implementing a high-integrity market;
- (ii) Driving a conducive ecosystem;
- (iii) Accelerating carbon credit trading; and
- (iv) Strengthening domestic and international linkages.

**It utilises a Marginal Abatement Cost (MAC) Curve to prioritise low-cost domestic mitigation while leveraging international carbon finance for high-cost, "hard-to-abate" measures.**

# Introduction

## 1. Global Context and Paris Agreement

The National Carbon Market Policy (NCMP) is framed within the global commitment to address climate change as laid out in the 2015 Paris Agreement, which aims to limit global temperature rise to well below 2°C, preferably 1.5°C. Malaysia ratified this agreement in 2016. **Central to the NCMP is Article 6 of the Paris Agreement, which allows for voluntary cooperation between countries through:**

### Article 6.2

It facilitates voluntary cooperation via Internally Transferred Mitigation Outcomes (ITMOs), formalised through bilateral or multilateral agreements. This pathway allows nations to achieve Nationally Determined Contributions (NDCs) through cross-border trading, and the application of mandatory corresponding adjustments to prevent double-counting while maintaining environmental integrity.

### Article 6.4

It establishes the Paris Agreement Crediting Mechanism (PACM), a centralised UNFCCC-governed system providing standardised rules and oversight for credit issuance. Replacing the Clean Development Mechanism (CDM), this framework generates high-quality credits intended to support both national mitigation targets and sustainable development.

The Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) will become mandatory in 2027 as the International Civil Aviation Organisation's (ICAO) primary mechanism for achieving carbon-neutral growth. It requires airline operators emitting over 10,000 tCO<sub>2e</sub> annually to monitor, report, and offset any CO<sub>2</sub> emissions exceeding the 2020 baseline using high-integrity, and ICAO-eligible units.

## 2. Malaysia's NDC 3.0 Commitments

Malaysia's Third Nationally Determined Contribution (NDC 3.0) sets a target to achieve **an absolute emission reduction of 15 to 30 million tCO<sub>2e</sub> by 2035** from its peak emission level (projected to occur between 2029 and 2034). This commitment is divided into two parts:

### Unconditional Reduction

20 million tCO<sub>2e</sub>

To be achieved through domestic initiatives and resources

### Conditional Reduction

10 million tCO<sub>2e</sub>

Subject to the availability of international climate finance, technology transfer, and capacity-building support

## 3. Policy Alignment and Coherence

The NCMP is designed to ensure policy coherence by integrating with Malaysia's existing and future development plans:

### National Climate Change Policy 2.0 (NCCP 2.0)

The NCMP is a catalytic initiative under Strategic Thrust 4 of NCCP 2.0, intended to accelerate decarbonisation and improve the bankability of domestic carbon projects.

### 13th Malaysia Plan (RMK13)

The NCMP is a key deliverable under RMK13, supporting the national agenda to transition toward a low-carbon, sustainable, and competitive economy.

### Sectoral Integration

The policy reinforces mitigation pathways across various sectors by ensuring that market signals support rather than replace existing sectoral planning.

### Future Pricing Instruments

It provides the governance foundation (authorisation, reporting, and tracking) for the future use of offsets within other market-based instruments like a carbon tax or Emissions Trading Scheme (ETS)

# National Arrangement

**NCMP serves as the primary authorisation framework for the National Arrangement** to oversee Malaysia's participation in the international compliance carbon market in alignment with Article 6 of the Paris Agreement. Its core purpose is to streamline the procedures for authorisation, reporting, and tracking of mitigation outcomes, ensuring Malaysia meets its international obligations with high credibility.

## Institutional Arrangements

It adopts a **tired approach** to delineate rulemaking and operational roles to facilitate stakeholder participation.

1

### National Climate Change Action Council (MTPIN)

Acts as the highest-level oversight body, providing strategic direction on the national decarbonisation agenda and carbon market.

2

### Jawatankuasa Dekarbonisasi Kebangsaan (JDK)

Serves as an advisory body, providing policy and technical input to ensure alignment between federal and state governments.

3

### Ministry of Natural Resources and Environmental Sustainability (NRES)

Functions as the Designated National Authority (DNA). It is responsible for establishing detailed mechanisms, procedures, and the governance framework for Article 6 implementation.

## Operational Framework

It provides distinct pathways for participation in international markets based on the specific Article 6 mechanisms:

1

### Article 6.2

Facilitates cooperative approaches through bilateral or multilateral arrangements.

2

### Article 6.4

Establishes the Paris Agreement Crediting Mechanism (PACM) as a centralised UNFCCC-governed pathway.

3

### Other International Mitigation Purposes (OIMP)

Includes sectoral schemes like CORSIA for the aviation industry.

## Implementation Guidance

It provides mandatory steps for fulfilling UNFCCC requirements

1

### Reporting Obligations

Managing the submission of Biennial Transparency Report, Initial Reports, Annual Information, and Regular Information as part of the Enhanced Transparency Framework (ETF).

2

### Corresponding Adjustments (CA)

Implementing accounting safeguards to prevent double counting of emission reductions between the seller and buyer countries.

3

### National Carbon Registry

Operating an authoritative repository to track the status and ownership of Internationally Transferred Mitigation Outcomes (ITMOs).

# Marginal Abatement Cost (MAC)

**Marginal Abatement Cost (MAC)** is a tool used to compare and rank different greenhouse gas (GHG) emission reduction measures from lower to higher cost. It serves as a foundation for evidence-based decision-making, allowing policymakers and investors to prioritise interventions that align with national climate goals

Malaysia's Cumulative Estimated Abatement Potential, assuming a full uptake of assessed abatement activities, **is anticipated to be approximately 56 tCO<sub>2</sub>e by 2030 across six key sectors**. The policy uses an indicative threshold of RM100 per tCO<sub>2</sub>e to strategically divide these options.

17 tCO<sub>2</sub>e

Assumption of ≤RM0/tCO<sub>2</sub>e

## Negative Category

Cost-saving measures that reduce emissions while saving money.

1. Energy Efficiency Retrofits
2. Behavioural Changes (e.g. waste sorting, energy-saving practices)
3. Fleet Use Optimisation (e.g. reducing idle time, batching)
4. Regular Vehicle Maintenance

22 tCO<sub>2</sub>e

Assumption of ≤RM100/tCO<sub>2</sub>e

## Low-Positive Category

These activities typically rely on technologies benefiting from economies of scale or behavioural changes that require modest incentives.

1. Electrification of Light-Duty Vehicles
2. Rooftop Solar for Commercial Buildings
3. Landfill Gas-to-Electricity (Small Scale)
4. Biogas Capture from POME

17 tCO<sub>2</sub>e

Assumption of >RM100/tCO<sub>2</sub>e

## High-Positive Category

These are highly expensive activities often reliant on emerging or unproven technologies.

1. Carbon Capture, Utilisation and Storage (CCUS)
2. Hydrogen-based Industrial Processes
3. Concentrated Solar Power with Thermal Storage
4. Clinker Replacement in Cement

# Government Crediting Programs

**Government Crediting Programmes** are frameworks designed under the **National Carbon Market Policy (NCMP)** to guide the design and governance of carbon crediting in Malaysia. These programmes ensure that carbon projects support national climate goals while maintaining strict environmental integrity.

Currently, Malaysia's government crediting initiative is structured as follows:

## Current Scope: Forest Carbon Offset (FCO)

The programme is presently limited to forestry-based carbon credits through a mechanism called the **Forest Carbon Offset (FCO)**. The FCO serves as Malaysia's operational government crediting mechanism, specifically tailored to the country's unique forest and land-use conditions.

Key features of the FCO include:

- **Robust Accounting & Methodologies:** Established systems for GHG estimation and tracking.
- **Integrity Safeguards:** Specific measures to address permanence and leakages through buffers or adjustments.
- **Independent Oversight:** Mandatory independent assessments, monitoring, and third-party review/verification.
- **National Alignment:** The programme is anchored in Malaysia's NDC, the 13th Malaysia Plan (RMK13), and biodiversity policy frameworks.
- **Local Context:** It is designed to capture Malaysia's specific ecological, economic, and social realities, such as state-level jurisdiction over land.

## Future Considerations

While currently focused on forestry, the NCMP is designed to allow expansion into other sectors as they become ready. Indicative areas for future government crediting programmes include:

- **Energy:** Energy efficiency and renewable energy.
- **Transport:** EV charging and fuel switching.
- **Waste:** Recovery, recycling, and biomass utilisation.
- **CCUS:** Carbon Capture, Utilisation, and Storage, as well as carbon mineralisation.

**Forest Carbon Offset (FCO) is a market mechanism that allows the transfer of emissions reduction from the forest to the buyers, in the form of carbon offsets.**

# Core Pillars & Enablers



# Policy Goals

**The National Carbon Market Policy (NCMP) aims to establish a structured framework** that catalyses cost-effective climate action through a high-integrity, inclusive carbon market. This vision is designed to accelerate national decarbonisation goals while delivering sustainable development co-benefits.

**The policy is guided by three core objectives:**

1

## **To Establish a High-Integrity Market that aligns with National Climate Targets**

Development of a transparent, credible, and robust carbon market ensures all emissions reductions are verifiable, cost-effective and contribute to meeting Malaysia's NDC and net-zero aspirations.

2

## **To Stimulate Investment and Innovation through Clear Signals**

Establishment of a robust and predictable market framework provides clear signals to the private sector, creating strong economic incentives for investment in low-carbon technologies.

3

## **To Promote a Just and Equitable Transition**

Ensuring a just transition through a carbon market mechanism advances sustainable development, strengthens social inclusivity, and supports all affected communities and sectors in the shift to a low-carbon economy

**Key guiding principles of the policy are aligned to NCCP 2.0**

1

## **Common but Differentiated Responsibility and Respective Capabilities**

Malaysia's participation in Article 6 carbon markets at the international level will adhere in an equitable manner in accordance with the Paris Agreement's principle of "common and differentiated responsibilities with respective capabilities in the light of national circumstances".

2

## **Just and Equitable Transition**

The shift to a low-carbon economy is managed in a way that advances sustainable development, ensures social inclusivity, and supports all affected communities and sectors of society.

3

## **Whole of Society and Nation Approach**

Planning and implementation of carbon markets initiatives to support climate action must be carried out in a participatory, inclusive and transparent manner with all segments of society.

4

## **Integrated and Multi-sectoral Solutions**

The carbon market initiatives should strive for an integrated solution view for the rakyat and deliver co-benefits through green job creation and health benefits.

# National Carbon Market Policy (NCMP) Framework

## Vision

Catalyse cost-effective climate action through a high integrity, inclusive carbon market that accelerates national decarbonization goals while delivering sustainable development co-benefits

## Policy Goals

Establish a high-integrity market that aligns with national climate targets

Stimulate investment and innovation through clear, reliable signals in carbon market

Promote a just and equitable transition through sustainable development and ensuring social inclusivity

## Core Pillars

Implementation of a High-Integrity Carbon Market

Driving a Conducive Carbon Market Ecosystem and Infrastructure

Catalysing and Accelerating Carbon Credit Training

Complementing Sectoral Decarbonisation Actions at Domestic and International Levels

## Action Plans

Facilitate Participation in International Carbon Market

Develop and Operationalise a National Carbon Registry

Streamline Carbon Credit Trading Processes

Support CPI Integration

Assess the Use of High-Quality Offsets

Support the Adoption of MRV System and Guidelines

Mobilise Finance for Carbon Projects

Provide Support at Sub-National Level

Streamline Carbon Market Implementation

Strengthening National Eligibility Criteria

Leverage Incentives for Carbon Project Development

Address International Linkages

Ensuring Generation of High-Integrity Credits

Develop Domestic Carbon Methodologies

Strengthen Demand in Carbon Markets

Promote Regional (ASEAN) and International Cooperation

## Enablers

Legislation and Regulatory Framework

Governance and Coordination

Human Capital Development

Strategic Resource Mobilisation

Communication, Education and Public Awareness (CEPA)

# 1 Core Pillar 1: 2 Implementation of a 3 High-Integrity Carbon 4 Market

It aims to establish a high-integrity carbon market underpinned by robust transparency, traceability, and accountability systems, enabling high-integrity credits, streamlined implementation, and active international participation to advance its NDC and net-zero commitments.

4 action plans  
12 initiatives  
32 sub-initiatives

Action Plan	Description	Summary of Initiatives	Leads and Supports
Facilitate Participation in International Carbon Market	Participating in the international compliance carbon market ensures Malaysia's carbon market development is aligned with current national and international carbon market landscapes	Operationalise national Article 6 arrangements by establishing eligibility criteria, safeguards for international transfers, and compliance requirements, while building bilateral and regional partnerships and advancing readiness for CORSIA and OIMP. Conduct periodic review of MAC Curve to assess the abatement options suitable for international carbon finance	Lead: NRES Support: Line Ministries, Relevant Ministry
Assess the Use of High-Quality Offsets	To assess the potential role of high-quality offsets within future domestic compliance instruments, including interaction with a carbon tax and potential Domestic Emissions Trading Scheme (DETS)	Align with periodic review of MAC Curve, assess the use of offsets in domestic compliance instruments as well as consideration for future DETs	Lead: NRES Support: Relevant Ministry, MFF, MGTC
Streamline Carbon Market Implementation	Applying the NCMP as the common reference point for aligning carbon market and crediting initiatives with national climate commitments	Strengthening national coherence in carbon market governance	Lead: NRES.
Ensuring Generation of High-integrity Credits	To strengthen carbon credit quality and credibility by promoting high-impact projects that deliver strong mitigation outcomes and sustainable development co-benefits	Scaling with continuous quality assurance and improve transparency and visibility of accredited validation and verification bodies	Lead: NRES.

# 1 Core Pillar 2: 2 Driving a Conducive 3 Carbon Market 4 Ecosystem and E Infrastructure

Developing the institutional, technical, and regulatory foundations for a well-functioning carbon market – through a national carbon registry, standardised MRV system, strengthened eligibility criteria, and expanded domestic methodologies necessary to generate clear market signals, drive innovation, and build investor and participant confidence. Pillar 2 is imperative in laying the foundational infrastructure that makes the carbon market functional, credible and investable, without which the market cannot operate effectively or attract participation.

**4** action plans  
**7** initiatives  
**16** sub-initiatives

Action Plan	Description	Summary of Initiatives	Leads and Supports
Operationalise a National Carbon Registry	A robust National Carbon Registry is essential to ensure sound governance, transparency, and environmental integrity in Malaysia's carbon market	Develop and operationalise national registry with considerations for international functions	Lead: NRES Support: Appointed Registry Administrator NRES-Carbon
Support the Adoption of MRV System and Guidelines	A strong MRV system is imperative to establishing a high-integrity carbon market to ensure transparency, credibility, and consistent application across sectors	Support MRV for offsets through capacity building	Lead: NRES Support: Appointed Regulator NRES-MRV
Strengthening National Eligibility Criteria	Market integrity guidance shall be established to ensure the carbon credits – domestic and international – represent genuine, measurable, and verifiable emissions reductions, or removals, preventing greenwashing and building trust among stakeholders	Publish guidance on market integrity	Lead: NRES Support: Line Ministries, MFF, and MGTC.
Develop Domestic Carbon Methodologies	A well-designed carbon crediting mechanism will support Malaysia's NDC commitments, international carbon market participation, and domestic voluntary market growth	Building the foundation for the carbon crediting mechanism, establishing a government framework while expanding and improving eligible activities	Lead: NRES. Support: Line Ministries, MFF, MG

1 **Core Pillar 3:**  
 2 **Catalysing and**  
 3 **Accelerating Carbon**  
 4 **Credit Trading**

It aims to scale Malaysia’s carbon market by fostering a high-integrity ecosystem through streamlined trading processes, expanded financing, and targeted government incentives. By addressing technical uncertainties and early-stage financial gaps, this pillar seeks to enhance project readiness and reduce barriers for participants across priority sectors. Ultimately, these actions are designed to stimulate sustained market demand and ensure long-term liquidity, creating a stable environment where high-quality carbon credits align with national mitigation goals and provide confidence to both developers and investors.

**4** action plans  
**10** initiatives  
**15** sub-initiatives

Action Plan	Description	Summary of Initiatives	Leads and Supports
Streamline Carbon Credit Trading Processes	Focuses on reducing administrative friction and transaction barriers by enhancing the technical capabilities of market participants.	Develop capacity and market readiness as well as facilitate trading processes.	Lead: NRES.
Mobilise Finance for Carbon Projects	Addresses the financing gap for the high upfront investment required for carbon projects before credits can be monetised.	Identify and prioritise financing opportunities, mobilise capital for carbon projects, as well as improve project bankability and investor confidence.	Lead: NRES. Support: Relevant ministries and statutory bodies (financial instruments); DFIs and commercial banks.
Leverage Incentives for Carbon Project Development	Uses targeted government interventions to de-risk early adoption and signal long-term policy commitment.	Plan, monitor and refine as well as design and launch incentive schemes.	Lead: NRES. Support: Relevant ministries (fiscal design and socio-economic priorities); Line ministries (sector-specific implementation).
Strengthen Demand in Carbon Markets	Ensures a balanced market by encouraging voluntary participation and piloting sector-specific demand mechanisms to improve liquidity.	Support the voluntary use of high-quality offsets, pilot sector-specific approaches and explore introduction of CPI for carbon market demand.	Lead: NRES. Support: Relevant ministries.

1 **Core Pillar 4:**  
 2 **Complementing Sectoral**  
 3 **Decarbonisation Actions**  
 4 **at Domestic and**  
 E **International Levels**

The development of a robust and competitive Malaysian carbon market necessitates the strategic integration of domestic systems with international frameworks to ensure environmental integrity and long-term viability. By aligning voluntary and compliance mechanisms, Malaysia can streamline internal implementation while simultaneously navigating global policy shifts and accessing international opportunities. Pillar 4 facilitates this by prioritising sub-national readiness, the potential integration of carbon pricing instruments, and deepened regional cooperation, ultimately positioning the nation as a reliable and efficient participant in the global climate economy.

**4** action plans  
**5** initiatives  
**10** sub-initiatives

Action Plan	Description	Summary of Initiatives	Leads and Supports
Support CPI Integration	Ensures the carbon market operates in synergy with future Carbon Pricing Instruments (CPIs), such as carbon taxes or emissions trading schemes, while avoiding double counting.	Support integration of carbon market with potential CPIs.	Lead: NRES Support: Designated by NRES
Provide Support at Sub-National Level	Strengthens the technical and operational foundations of state governments and local agencies to ensure consistent participation across Malaysia.	Enable readiness and participation of sub-national entities.	Lead: NRES.
Address International Linkages	Tracks and aligns with evolving global climate policies, such as the EU-CBAM, IMO, and CORSIA, to manage external policy risks and maintain market competitiveness.	Assess implications of international linkages and carbon border measures.	Lead: NRES Support: Relevant Ministries and Statutory Bodies responsible for international measures
Promote Regional (ASEAN) and International Cooperation	Collaborates with regional partners to align market components and enhance efficiency while maintaining national strategic autonomy and implementation interests.	Strengthen engagement for foundational regional cooperation.	Lead: NRES Support: MCMA, MFF, MGTC

1

# Initiatives and Champions for Enablers

2

3

4

E

A total of five (5) cross-cutting enablers collectively provide the fundamental ecosystem required to operationalise Malaysia's national carbon market policy, ensuring coherence between policy intent and on-the-ground implementation. These encompass the establishment of a clear legal and regulatory framework, coordinated institutional governance, and the development of technical and market-ready talent, while also mobilising financial resources to support the funding requirements for carbon market infrastructure. Complementing these are efforts to strengthen stakeholders' engagement through communication, education and public awareness, which are critical to building public confidence and social inclusivity.

**5** enablers

**8** initiatives

**23** sub-initiatives

Enablers	Description	Summary of Initiatives	Leads and Supports
Legislation and Regulatory Framework	Provides the legal and regulatory foundation to govern carbon market activities, ensure compliance, and enable coordinated climate action.	Uphold enforceable legal framework anchored by the Climate Change Act, while maintaining detailed and adaptive regulations for domestic offsets and international participation.	Support: <ul style="list-style-type: none"> <li>Line Ministries: NRES to jointly engage with line ministries responsible for providing sector-specific inputs and alignment in the development and periodic review of carbon market regulations.</li> <li>Climate Change Entity</li> </ul>
Governance and Coordination	Enhances governance via a central oversight body and stronger federal-state coordination for effective implementation.	Empower the Climate Change Entity to oversee national carbon market governance and ensure federal-state coordination for carbon market governance.	Support: <ul style="list-style-type: none"> <li>Climate Change Entity</li> </ul>
Human Capital	Develops the skills and capabilities required to implement and scale the carbon market effectively.	Develop technical capacity of market participants through support awareness, training and upskilling.	Support: <ul style="list-style-type: none"> <li>Line Ministries and Sector Specific Agencies: NRES to jointly engage with line ministries and sector-specific agencies responsible for delivering capacity-building, training, and technical guidance.</li> <li>MFF</li> <li>MGTC</li> </ul>

# 1 Initiatives and 2 Champions for Enablers 3 (cont.) 4 E

A total of five (5) cross-cutting enablers collectively provide the fundamental ecosystem required to operationalise Malaysia's national carbon market policy, ensuring coherence between policy intent and on-the-ground implementation. These encompass the establishment of a clear legal and regulatory framework, coordinated institutional governance, and the development of technical and market-ready talent, while also mobilising financial resources to support the funding requirements for carbon market infrastructure. Complementing these are efforts to strengthen stakeholders' engagement through communication, education and public awareness, which are critical to building public confidence and social inclusivity.

**5** enablers  
**8** initiatives  
**23** sub-initiatives

Enablers	Description	Summary of Initiatives	Leads and Supports
Strategic Resource Mobilisation	Mobilises financial flows and funding sources to support carbon market implementation and international commitments	Conduct study on funding requirements of carbon market infrastructure and support compliance of the Article 6.4 share of proceeds requirements.	NRES
Communication, Education and Public Awareness (CEPA)	Strengthens public awareness and engagement to enable an inclusive and well-understood carbon market.	Establish a framework for stakeholders' participation through local consultation and multi-stakeholder dialogue and carbon education and literacy programmes.	Support: <ul style="list-style-type: none"> <li>• Relevant Ministry: NRES to jointly engage with the ministries responsible for education to integrate carbon education into education curricula.</li> <li>• Relevant Agency: NRES to jointly engage with the agency responsible for indigenous community affairs to ensure culturally appropriate consultations and inclusivity.</li> <li>• MFF</li> <li>• MGTC</li> <li>• NRES to coordinate with suitable third parties as market operators to provide data access and guidance through the carbon market information portal.</li> </ul>

## Conclusion & Future Outlook

- **The governance of the National Carbon Market Policy (NCMP) relies on a collaborative delivery model where the Ministry of Natural Resources and Environmental Sustainability of Malaysia (NRES) act as the central coordinator, supported by a network of specialised champions.** For instance, NRES collaborates with the Ministry of Finance (MOF) on fiscal frameworks and the Malaysian Forest Fund (MFF) to ensure readiness for international standards under the Core Pillar 1.
- **The NCMP utilises a phased implementation strategy designed to build market confidence through demonstrated success before scaling. The immediate focus is restricted to forestry-based carbon credits via the Forest Carbon Offset (FCO) mechanism.** This phase serves as a critical testing ground for Malaysian-specific accounting, monitoring safeguards, and integrity protocols.
- **Once the pilot phase validates the core infrastructure, the government intends to broaden the scope to include technology-driven methodologies.** Key priority sectors include Energy (efficiency and renewables), Transport (EV infrastructure and fuel switching), and Waste Management (recycling and biomass).
- **The roadmap also includes the integration of complex industrial solutions** such as the Carbon Capture, Utilisation, and Storage (CCUS) and carbon mineralisation, which are reserved for later phases when technical standards are fully mature.
- The transition between phases is governed by periodic assessments. **Expansion into new sectors depends on data availability, market demand, and sectoral readiness**, ensuring that the high-integrity benchmark set by the forestry pilot is never compromised.

## SERC's Commentaries

- The global shift to environmental sustainability has accelerated implementation of a low-carbon, clean and resilient development in ensuring planetary health and sustainability. Green initiatives and carbon emission management are critical to addressing global climate change and achieving sustainable development.
- Aligning with the European Union's Carbon Border Adjustment Mechanism (CBAM), Malaysia's National Carbon Market Policy (NCMP) reinforces domestic climate targets and participates in international compliance carbon markets trading. By establishing a foundation for compliance and voluntary carbon markets, the NCMP helps Malaysia move towards a more structured and investible ecosystem.
- While the NCMP outlines how the country plans to achieve its national decarbonisation targets, it reviews the timeline for introducing a carbon tax due to geopolitical concerns and to avoid added financial burdens on the industry, opting to prioritise market readiness over penalty-based measures first. Even as the government reviews its timeline for introducing a carbon tax, the government remains committed to its overall sustainability goals and climate action.
- A key determinant of the NCMP's enforcement is its dependency on the National Climate Change Act (RUUPIN), which is scheduled for tabling in Parliament in 2026. Without this legislative anchor, the NCMP is currently serving as a "guidance" document rather than a legally binding framework. The lack of statutory power creates significant uncertainty regarding the long-term validity of carbon contracts and the definitive legal standing of the National Carbon Registry.

## SERC's Commentaries (cont.)

- The policy is commendable for proactively addressing Malaysia's lack of a formal carbon mechanism to comply with the international strict mandatory requirements for market access. This is particularly relevant given that the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) will become mandatory in 2027. The establishment of NCMP provides a necessary regulatory and technical framework for the authorisation of high-integrity carbon credits to meet mandatory obligations under both CORSIA and CBAM.
  - There are challenges in the Federal-State coordination for carbon market governance, given the constitutional land and forest rights by Sabah and Sarawak, such as Sabah has already established independent legislation -- Sabah Climate Change and Carbon Governance Enactment 2025. Hence, efforts are needed to harmonise independent state-level legislations, particularly in Sabah and Sarawak, with new federal policies.
  - The policy proposes a price threshold of RM100/tCO<sub>2e</sub> to distinguish between projects for lower and higher cost options in the Marginal Abatement Cost (MAC) curves. Although the threshold serves an analytical purpose, setting it too high can burden businesses during an initial implementation, whereas a fixed (static) rate risks undermining climate goals due to market volatility. If international prices rise rapidly, a fixed threshold might lead to the risk of exporting "cheap" credits, potentially making the achievement of domestic NDCs more expensive for the government in the long run. Another consideration is static threshold of RM100 does not account for volatility in carbon markets, inflation, or the accelerating cost of technology, which may make the threshold obsolete.
  - According to the ACCCIM Malaysia's Business and Economic Conditions Survey (M-BECS) 2H 2022, the industry readiness is contingent on the government's clear decarbonisation pathway support. The survey revealed that 48.6% of respondents want clear guidelines and a transparent timeline for the introduction of a carbon tax.
- Additionally, 46.8% requested for government-funded GHG emissions-related training, while 46.4% proposed a low initial carbon tax rate to promote awareness without crippling business operations.
- Malaysia should consider referencing Singapore's model of phased carbon tax implementation. Singapore has successfully introduced a low initial rate at SGD5/tCO<sub>2e</sub> to allow businesses' time to adjust, before scheduling progressive increases to between SGD50 and SGD80 /tCO<sub>2e</sub> by 2030. This predictable carbon tax trajectory provides businesses with the necessary price signals to invest in low-carbon technologies while avoiding sudden carbon tax pricing shocks.
  - As announced in the Budget 2025, a carbon tax was slated for introduction in 2026, targeting the iron, steel, and energy sectors; there are currently no clear, detailed implementation guidelines.
  - While enablers in the NCMP aim to upskill the workforce, ACCCIM M-BECS 2H 2022 suggests a significant technical gap, with 53% of respondents having a poor understanding of the carbon tax, and 63.6% of them required a lead time of more than a year for implementing the tax. The top three challenges identified include a lack of expertise and information about how to implement low-carbon emission (60.2%), a lack of capital and an increase in business costs (46.8%), and a shortage of qualified staff to monitor carbon emissions (45.1%).
  - A whole-of-nation approach is considered critical for meeting domestic carbon emission reduction targets because climate change is a complex, cross-cutting issue that no single entity can solve alone. Hence, the government has to ensure a gradual and smooth transition to a low-carbon economy while avoiding unnecessary market volatility.

## SERC's Commentaries (cont.)

- Prioritising transparency in the legal framework and governance of the carbon trading market, ensuring consistency in pricing and verification. As SMEs face challenges with high certification costs and technical expertise needed for decarbonization, it is crucial to develop targeted guidelines and training programs to help SMEs navigate Monitoring, Reporting and Verification (MRV) requirements, as well as create opportunities for SMEs to participate in voluntary markets, such as the Bursa Carbon Exchange (BCX), which offers a pathway for smaller entities to sell credits.
- Transforming the NCMP from a policy vision into a functional, high-integrity market ecosystem. The next phase of the NCMP involves the enactment of the National Climate Change Bill to make emission reduction targets and market mechanisms legally binding. The ultimate goal is to generate carbon credits that are measurable, verifiable, and backed by high-integrity data to attract both domestic and international participants.

# Appendix

## Pillar 1: Implementation of a High-Integrity Carbon Market

Action Plan	Initiative	Sub-Initiative
P1-AP1: Facilitate Participation in International Carbon Market	P1-AP1-1: Establish and Operationalise National Arrangements for Article 6 Cooperation	<ul style="list-style-type: none"> <li>• Designate and activate the Article 6 Compliance Role under NRES.</li> <li>• Apply the Article 6 Compliance Role to support host-party obligations, including review and coordination functions.</li> <li>• Operationalise the national authorisation and approval processes for Article 6 cooperation, in line with established national arrangements.</li> <li>• Enable coordination between the Article 6 Compliance Role, the Technical Committee, and relevant line ministries and agencies.</li> </ul>
	P1-AP1-2: Apply Requirements for Article 6 Cooperation	<ul style="list-style-type: none"> <li>• Set out high-level principles for the application of corresponding adjustments, including treatment across different Article 6 pathways (e.g. 6.2 and 6.4).</li> <li>• Ensure institutional readiness for applying corresponding adjustments, including alignment across relevant ministries and systems responsible for NDC accounting.</li> <li>• Submit and update the required Host Party Participation (HPP) forms and other mandated documentation to the UNFCCC as part of Article 6 participation, in accordance with applicable guidance</li> <li>• Apply existing approved documentation and procedures to administer periodic reporting and submission requirements for Article 6 participation.</li> <li>• Support the transition of legacy CDM activities to Article 6.4 participation, including providing guidance on alignment with updated rules and facilitating stakeholder engagement.</li> </ul>
	P1-AP1-3: Periodic Review of National MAC Curve	<ul style="list-style-type: none"> <li>• Conduct periodic reviews and updates of the national MAC Curve to inform assessment of low positive and high positive abatement options to inform usage of ITMOs or PACM as carbon finance.</li> </ul>
	P1-AP1-4: Establish an Eligibility Whitelist	<ul style="list-style-type: none"> <li>• Define a set of priority sectors, activity types, and mitigation outcomes that Malaysia may consider eligible for Article 6 cooperation, based on alignment with national NDC targets, sectoral decarbonisation pathways, and domestic priorities.</li> <li>• Provide for periodic review of the Eligibility Whitelist, reflecting NDC updates, sectoral progress, and national priorities.</li> <li>• Align with Initiative “P1-AP1-3: Periodic review of National MAC Curve” to assess the abatement options suitable for whitelist.</li> </ul>

Action Plan	Initiative	Sub-Initiative
	P1-AP1-5: Establish Sales Limits for International Transfers under Article 6	<ul style="list-style-type: none"> <li>• Provide for periodic review and adjustment of sales limits, informed by updates to the MAC Curve, sectoral mitigation progress, and changes in national mitigation ambition.</li> <li>• Align with Initiative “P1-AP1-3: Periodic review of National MAC Curve” to assess the overall national abatement potential to inform sales limits.</li> </ul>
	P1-AP1-6: Support the Establishment of Bilateral Agreements	<ul style="list-style-type: none"> <li>• Enable bilateral cooperation under Article 6.2 by establishing processes and institutional readiness for MoUs and Implementation Agreements (IAs), where requested by partner countries.</li> <li>• Ensure the bilateral agreements details out applicable methodologies, MRV systems, crediting periods, etc., as per Article 6 requirements.</li> </ul>
	P1-AP1-7: Support Readiness for CORSIA and Other International Mitigation Mechanisms (OIMP) Relevant to Article 6	<ul style="list-style-type: none"> <li>• Align carbon market readiness efforts with the Malaysia Aviation Decarbonisation Blueprint, including identifying opportunities for domestic carbon projects to be developed and elevated towards potential CORSIA EEU eligibility, consistent with UNFCCC and ICAO requirements.</li> <li>• Monitor developments in international mitigation mechanisms that may generate demand for internationally transferred mitigation outcomes (ITMOs) under Article 6 of the Paris Agreement.</li> <li>• Assess the relevance and potential implications of emerging OIMP mechanisms for Malaysia, including alignment with national climate commitments, sectoral priorities, and existing carbon market arrangements.</li> <li>• Identify potential readiness and policy considerations should Malaysia decide to participate in future international mitigation mechanisms.</li> </ul>
P1-AP2: Assess the Use of High-Quality Offsets	P1-AP2-1: Assess the Potential Role of Offsets in Domestic Compliance Instruments	<ul style="list-style-type: none"> <li>• Examine potential design considerations for domestic compliance instruments, including the possible sequencing or interaction between a carbon tax and a future DETS.</li> <li>• Assess the potential role and implications of offset use within domestic compliance instruments, including environmental integrity and alignment with best practices.</li> </ul>
	P1-AP2-2 Examine Offset-Related Design Considerations for a Future DETS	<ul style="list-style-type: none"> <li>• Assess institutional, legal, and technical considerations for the potential inclusion of offsets in a future DETS, including alignment with Climate Change Act and broader climate policy objectives.</li> <li>• Assess potential approaches to managing additionality and interactions between covered sectors and offset-generating activities, should offsets be considered in DETS design.</li> <li>• Align with Initiative “P1-AP1-3: Periodic review of National MAC Curve” to utilise national MAC Curve for offset use, limits, or constraints under a future DETS.</li> <li>• Consider the role of pilot or phased approaches to test design features related to offsets.</li> </ul>

Action Plan	Initiative	Sub-Initiative
P1-AP3: Streamline Carbon Market Implementation	P1-AP3-1 Strengthen National Coherence in Carbon Market Governance	<ul style="list-style-type: none"> <li>• Apply the national carbon market policy as a common reference for coordination processes, on any carbon market or crediting initiatives with national climate commitments, accounting rules, and relevant international obligations.</li> <li>• Mobilise a Federal–State Climate Coordination Council as a function under the Jawatankuasa Dekarbonisasi Kebangsaan (established under MTPIN) to serve as the primary platform for alignment between federal and state governments.</li> </ul>
P1-AP4: Ensuring Generation of High-integrity Credits	P1-AP4-1: Scaling and Continuous Quality Assurance	<ul style="list-style-type: none"> <li>• Incentivise high-impact projects to deliver sustainable development co-benefits through recognition schemes or preferential Article 6 authorisation for export markets.</li> </ul>
	P1-AP4-2: Improve Transparency and Visibility of Accredited VVBs	<ul style="list-style-type: none"> <li>• Maintain a publicly accessible list of accredited VVBs eligible to operate in Malaysia’s carbon market.</li> <li>• Provide clear information on the applicable accreditation frameworks and standards recognised for validation and verification activities.</li> </ul>

## Pillar 2: Driving a Conducive Carbon Market Ecosystem and Infrastructure

Action Plan	Initiative	Sub-Initiative
P2-AP1: Develop and Operationalise a National Carbon Registry	P2-AP1-1: Develop and Operationalise National Registry	<ul style="list-style-type: none"> <li>Establish and operationalise the National Registry as the authoritative data repository to track emission reductions as well as identify and track the status and ownership of ITMOs.</li> <li>Provide guidance to encourage carbon projects and credits to be registered in the National Carbon Registry including projects developed under voluntary carbon market (VCM) pathways where they intend to seek Article 6 authorisation.</li> </ul>
	P2-AP1-2: Support Registry Interoperability and Linkages	<ul style="list-style-type: none"> <li>Conduct a study to assess interoperability and potential linkages between the National Carbon Registry and other relevant systems, including recognised carbon crediting registries, subnational emission reduction records, and voluntary market activities.</li> <li>Assess the feasibility of technical alignment of the National Registry with regional and international partners.</li> </ul>
P2-AP2: Support the Adoption of MRV System and Guidelines	P2-AP2-1: Support MRV for offsets through Capacity Building	<ul style="list-style-type: none"> <li>Support the carbon standards in developing targeted documents and training programmes to ensure stakeholders in Malaysia understand and can comply with the respective MRV requirements while building confidence in using the system and meeting verification standards.</li> <li>Support the carbon standards in ongoing capacity-building channels, such as e-learning modules and refresher training, to maintain competency over time.</li> </ul>
P2-AP3: Strengthening National Eligibility Criteria	P2-AP3-1: Publish Guidance on Market Integrity	<ul style="list-style-type: none"> <li>Define and publish standardised, principles-based guidance on market integrity to support consistent application of national eligibility criteria, including expectations related to additionality, permanence, transparency, and robust MRV.</li> </ul>

Action Plan	Initiative	Sub-Initiative
P2-AP4: Develop Domestic Carbon Methodologies	P2-AP4-1: Building the Foundation for the Carbon Crediting Mechanism	<ul style="list-style-type: none"> <li>• Identify priority sectors and project types based on mitigation potential and readiness.</li> <li>• Establish governance and technical advisory structures to oversee the development and approval of the structure and process.</li> <li>• Implement early measures to encourage market readiness and participation, such as targeted outreach programmes, and public recognition for pioneer projects.</li> <li>• Initiate baseline data readiness and data collection efforts for priority sectors to inform future methodology development.</li> </ul>
	P2-AP4-2 Establish a Governmental Carbon Crediting Mechanism	<ul style="list-style-type: none"> <li>• Draft and adapt methodologies in alignment with domestic and international frameworks, ensuring they address local needs and priorities.</li> <li>• Conduct stakeholder consultations and pilot projects to validate baselines, emission factors and calculation procedures of the methodologies.</li> <li>• Enhance technical expertise and capacity building in project design, quantification, MRV, and validation and verification of the carbon projects.</li> </ul>
	P2-AP4-3 Expansion and Improvement of Eligible Activities	<ul style="list-style-type: none"> <li>• Focus the initial scope of the government carbon crediting mechanism on forestry, with periodic assessments to determine whether and when to expand to other sectors or technologies based on readiness and demand.</li> <li>• Periodically review and update methodologies to reflect technological, scientific, and market developments, ensuring continued credibility and relevance, including improving data availability and accessibility.</li> </ul>

### Pillar 3: Catalysing and Accelerating Carbon Credit Trading

Action Plan	Initiative	Sub-Initiative
P3-AP1: Streamline Carbon Credit Trading Processes	P3-AP1-1: Capacity Development and Market Readiness	<ul style="list-style-type: none"> <li>• Build capacity for project developers, state authorities, and verifiers on the market integrity criteria, Article 6 implementation, MRV procedures, and safeguards, including free, prior, and informed consent.</li> </ul>
	P3-AP1-2: Facilitate Carbon Credit Trading Processes	<ul style="list-style-type: none"> <li>• Develop and implement standardised trading processes, including clear transaction workflows, documentation requirements, and timelines, to facilitate efficient and transparent carbon credit transactions.</li> </ul>
P3-AP2: Mobilise Finance for Carbon Projects	P3-AP2-1: Identify and Prioritise Financing Opportunities	<ul style="list-style-type: none"> <li>• Identify priority sectors and project types facing the largest financing gaps, focusing on those with high mitigation potential and co-benefits.</li> <li>• Provide guidance for incorporating carbon projects in existing climate-aligned lending frameworks by providing high-level guidance on eligibility, risk considerations, and documentation requirements.</li> </ul>
	P3-AP2-2: Mobilise Capital for Carbon Projects	<ul style="list-style-type: none"> <li>• Facilitate mobilisation of finance through finance institutions, government-linked companies, and sustainable finance instruments such as green sukuk, bonds, or ESG funds, as well as grants.</li> <li>• Support capacity-building programmes for investors and lenders on assessing, structuring, and monitoring carbon project finance.</li> <li>• Facilitate connections between investors and project developers through project pipelines, platforms, or coordination mechanisms, to improve access to bankable carbon projects.</li> </ul>
	P3-AP2-3: Improve Project Bankability and Investor Confidence	<ul style="list-style-type: none"> <li>• Support the refinement of investment criteria and performance benchmarks to strengthen investor confidence and project bankability.</li> <li>• Support approaches that improve the risk-return profile of carbon projects, including mechanisms that help de-risk investments and enhance financial viability.</li> </ul>

Action Plan	Initiative	Sub-Initiative
P3-AP3: Leverage Government Incentives	P3-AP3-1: Plan, Monitor, and Refine Incentive Frameworks	<ul style="list-style-type: none"> <li>• Identify priority sectors and assess incentive options based on mitigation potential, sector readiness, and fiscal implications.</li> <li>• Monitor and evaluate incentive performance, including market uptake and overall contribution to carbon market development.</li> <li>• Periodically refine incentive parameters and support the gradual phase-out of broad-based incentives, while strengthening governance and transparency.</li> </ul>
	P3-AP3-2: Design and Launch Incentive Schemes	<ul style="list-style-type: none"> <li>• Develop time bound incentive options with clear conditions for when they should end, to avoid creating long term dependence or market distortion.</li> <li>• Explore appropriate financial support measures (e.g. subsidies, grants, or tax relief) to help reduce project development and assess potential government backed credit purchases to stimulate supply and demand.</li> <li>• Pilot selected incentive options in specific sectors to assess their practicality, uptake, and impact before considering wider application.</li> </ul>
P3-AP4: Strengthen Demand in Carbon Markets	P3-AP4-1: Support the Use of High-Quality Offsets for Voluntary Participation	<ul style="list-style-type: none"> <li>• Promote the voluntary use of high-integrity carbon credits by relevant market participants to complement climate and sustainability objectives, including through ESG reporting and sustainability disclosures.</li> <li>• Assess potential non-regulatory and recognition-based approaches, for corporates and entities that voluntarily purchase high-integrity credits.</li> </ul>
	P3-AP4-2: Pilot Sector-Specific Demand Mechanisms	<ul style="list-style-type: none"> <li>• Pilot sector-specific demand approaches where voluntary carbon credit use is encouraged within government-led transition pathways for priority sectors.</li> </ul>
	P3-AP4-3: Explore the Introduction of Carbon Pricing Instruments to Support Carbon Market Demand	<ul style="list-style-type: none"> <li>• Assess the potential role and implications of carbon credit use in the context of the introduction of domestic carbon pricing instruments (e.g. carbon tax, ETS, hybrid approaches).</li> <li>• Identify key considerations related to the potential use of carbon credits within such instruments (e.g. offset use limits, sectoral scope).</li> </ul>

## Pillar 4: Complementing Sectoral Decarbonisation Actions at Domestic and International Levels

Action Plan	Initiative	Sub-Initiative
P4-AP1: Support CPI Integration	P4-AP1-1: Support the Integration of carbon market with potential CPIs	<ul style="list-style-type: none"> <li>Support the integration (process or study as applicable) of carbon market with potential CPIs as recognised under Climate Change Act and other relevant prevailing laws and policies.</li> </ul>
P4-AP2: Provide Support at Sub-National Level	P4-AP2-1: Enable Sub-National Market Readiness and Participation	<ul style="list-style-type: none"> <li>Support sub-national governments and agencies in establishing the technical and operational foundations required to participate effectively in carbon market mechanisms, including baseline setting, MRV systems, project or programme structuring, and alignment with national approval and registry processes.</li> </ul>
P4-AP3: Address International Linkages	P4-AP3-1: Assess International Linkages to Inform Carbon Market Strategy	<ul style="list-style-type: none"> <li>Analyse emerging international carbon market mechanisms, including Article 6.2 and 6.4, the Japan Crediting Mechanism (JCM), International Maritime Organisation (IMO), CORSIA etc., to identify potential linkages, cooperation models, and implications for Malaysia's domestic carbon market development.</li> <li>Establish an adjustment and review mechanism to periodically revise the carbon market strategies (e.g. assessing regional interoperability, capacity building, market integrity and governance measures) in line with developments in the global carbon market.</li> </ul>
	P4-AP3-2: Assess Implications of International Carbon Border Measures	<ul style="list-style-type: none"> <li>Undertake high-level assessments of potential interactions between carbon border adjustment measures and carbon market instruments.</li> <li>Monitor developments in international border carbon measures, such as CBAM, to understand potential implications for carbon markets and emissions reporting frameworks relevant to Malaysia.</li> <li>Provide technical inputs or analytical support to relevant ministries or agencies, upon request, on carbon market-related considerations arising from international border carbon measures.</li> </ul>
P4-AP4: Promote Regional (ASEAN) and International Cooperation	P4-AP4-1: Strengthen Foundational Engagement for Regional Cooperation	<ul style="list-style-type: none"> <li>Participate in relevant capacity-building workshops and dialogues.</li> <li>Support national–regional coordination to balance domestic priorities with regional objectives.</li> <li>Support the development of the ASEAN Common Carbon Framework through industry associations.</li> </ul>

## Five (5) Cross-Cutting Enablers

Enablers	Initiative	Sub-Initiative
Enabler 1: Legislation and Regulatory Framework	E1-1: Uphold Enforceable Legal Framework, Anchored by the Climate Change Act	<ul style="list-style-type: none"> <li>• Prioritise the finalisation, tabling, and enactment of the National Climate Change Act to provide the overarching legal authority for all carbon market activities and support the implementation of the NCMP through the subsidiary legislation pertaining to carbon markets under the Act.</li> <li>• Undertake regular review and revision of Act to maintain its relevance and alignment with evolving practices and national priorities.</li> </ul>
Enabler 2: Governance and Coordination	E2-1: Empowering the Climate Change Entity to Oversee National Carbon Market Governance	<p>The Climate Change Entity should:</p> <ul style="list-style-type: none"> <li>• Develop and promulgate market regulations, set carbon project eligibility criteria and accredit MRV service providers for the compliance market.</li> <li>• Enforce compliance through penalties and corrective measures.</li> <li>• Coordinate with supporting regulators, including DOE, MOF and MITI, to align financial, environmental and trade requirements.</li> </ul>
	E2-2: Ensure Federal-State Coordination for Carbon Market Governance	<ul style="list-style-type: none"> <li>• Constitute the Federal-State climate coordination council under Jawatankuasa Dekarbonisasi Kebangsaan (JDK), with representatives from NRES, state forestry and land agencies, DOE, and state economic planning units.</li> </ul>
Enabler 3: Human Capital Development	E3-1: Support Awareness, Training and Upskilling	<ul style="list-style-type: none"> <li>• Support regular general awareness, training, and upskilling programs for market actors, regulators, and frontline communities.</li> <li>• Collaborate with global carbon market leaders for knowledge sharing in management and regulation for regulators, ministries and government agencies</li> <li>• Capacity-building workshops on carbon market components and compliance requirements as well as international market linkage for market actors and frontline communities by government agencies</li> <li>• Specialised training sessions for industries focusing on sector-specific abatement opportunities and carbon market participation by industry experts</li> <li>• Develop certification programs for carbon market practitioners, such as project developers, traders, and compliance officers</li> <li>• Publish technical guidance documents on carbon market such as manuals and FAQs tailored to different sectors</li> <li>• Build internal capacity for the operation, management, and continuous improvement of digital registries and MRV systems.</li> </ul>

Enablers	Initiative	Sub-Initiative
Enabler 4: Strategic Resource Mobilisation	E4-1: Support the Funding of Carbon Market Infrastructure and Usage of the Carbon Market Proceeds	<ul style="list-style-type: none"> <li>• Conduct study on the funding requirements to establish and operate a National Carbon Registry and its linkages, including consideration of complementary public or other funding sources, where appropriate.</li> <li>• Conduct study for appropriate usage of carbon market proceeds for national commitments as identified under Climate Change Act.</li> </ul>
	E4-2: Support Compliance with Article 6.4 Share of Proceeds Requirements	<ul style="list-style-type: none"> <li>• Support implementation of Article 6.4 share of proceeds requirements, including arrangements related to contributions to the Adaptation Fund.</li> <li>• Provide guidance and coordination support to ensure share of proceeds obligations are reflected in national Article 6.4 participation processes.</li> </ul>
Enabler 5: Communication, Education and Public Awareness	E5-1: Local Consultation and Multi-Stakeholder Dialogue	<ul style="list-style-type: none"> <li>• Organise consultative forums in indigenous communities.</li> <li>• Continuous stakeholder engagement with various stakeholder groups, including the industry, indigenous groups, youth and civil society.</li> </ul>
	E5-2: Carbon Education and Literacy Programmes	<ul style="list-style-type: none"> <li>• Partner with media platforms to run campaigns that highlight carbon market benefits, success stories and consumer actions.</li> <li>• Support capacity-building sessions for NGOs, local governments, and grassroots organisations covering carbon market, project development and reporting requirements.</li> <li>• Support the integration of modules on climate change and into school curricula and work with higher education to develop more courses on carbon mechanisms.</li> <li>• Launch a user-friendly online platform, offering up-to-date market data, policy guides, FAQs on the carbon market.</li> </ul>

# THANK YOU

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