

Malaysia Solar Energy Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)

Market Report | 2023-01-23 | 95 pages | Mordor Intelligence

AVAILABLE LICENSES:

- Single User License \$4750.00
- Team License (1-7 Users) \$5250.00
- Site License \$6500.00
- Corporate License \$8750.00

Report description:

The Malaysian solar energy market is expected to register a CAGR of more than 9% during the forecast period of 2022 - 2027. The COVID-19 pandemic slightly affected the solar PV installations in the country during Q1 and Q2 2020 due to the lockdown restrictions, supply chain disruptions, solar PV production, and project implementation delays. Moreover, the government also postponed ambitious solar tenders, including a tender of capacity 1 GW in 2020. Factors, such as the increasing investments in the renewable energy sector and the country's efforts to shift from fossil fuel-based power generation, are expected to drive the market during the forecast period. Moreover, the Malaysian government implemented various supportive policies and incentives for the growth of solar energy, which is further expected to drive the market. However, increasing adoption of alternate clean energy sources and high initial investment costs of solar projects are expected to hinder the market growth during the study period.

Key Highlights

The utility segment is expected to dominate the solar energy market in Malaysia, owing to the country's upcoming large-scale solar power projects.

Malaysia is aiming to install 9 GW of solar energy capacity by 2050. Therefore, the country's ambitious solar energy targets and business models, such as solar leasing, are expected to create many opportunities in the near future.

The solar market is expected to grow significantly due to supportive government policies and initiatives in different end-user segments, like residential or commercial and industrial (C&I).

Malaysia Solar Energy Market Trends

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

The Utility Sector to Dominate the Market

In Malaysia, the solar energy installed capacity growth can be attributed to the large-scale solar program (an auction program) that had a target of 2 GW by 2021.

Moreover, in March 2021, the energy commission of Malaysia (Suruhanjaya Tenaga) announced the shortlisted bidders of the request for proposals for 1 gigawatt (GW) of solar projects in the fourth round of its large-scale solar (LSS) program. The authority pre-selected 30 bidders in two categories. In this round, the solar plant's program is expected to start operation by December 31, 2023.

Malaysia is expected to witness substantial growth due to the rush to qualify for the last of the feed-in-tariffs (FITs) for solar power and the second large-scale solar photovoltaic (PV) tender projects coming online. Additionally, to overcome the negative impact of the COVID-19 pandemic, in May 2021, the Singapore International Energy Week government opened a 1 GW tender for solar projects under the fourth round of its large-scale solar (LSS) procurement program.

As per Singapore International Energy Week, the Ministry of Energy (Malaysia) announced renewable energy targets to be achieved by 2035. Malaysia's renewable energy installed capacity is targeted to reach 40%, or 18,000 MW, by 2035.

Due to the wide acceptance of solar energy, the net installed capacity of solar energy reached 1,493 MW in 2020 compared to 229 MW in 2015.

Therefore, based on the above-mentioned factors, the utility sector is expected to dominate the Malaysian solar energy market during the forecast period.

Supportive Government Policies and Initiatives Driving the Market Demand

The Government of Malaysia introduced a few solar PV initiatives to encourage Malaysia's renewable energy (RE) uptake.

Before the new net energy metering (NEM) mechanism was introduced in 2018, the NEM mechanism was designed to reimburse participants, mainly by using a displaced cost at 0.31 MYR/kWh, while the purchasing price was over 0.50 MYR/kWh.

According to the Sustainable Energy Development Authority (SEDA), the rising popularity of net metering is due to the Net Energy Metering 2.0 program, which permits the sale of excess power to the grid on a one-for-one basis versus grid power kilowatts consumed. Since 2019, the NEM mechanism has been offering the same tariff for selling and buying electricity for NEM participants. This new mechanism is anticipated to attract more customers to install rooftop solar and register with NEM. The quota for this mechanism is up to 500 MW, primarily on a first-come, first-serve basis.

Malaysia announced that it had set a target of attaining 20% renewable energy in its generation mix by 2025. To achieve its 2025 target, it is estimated that Malaysia will require USD 8 billion worth of investments in its renewable energy sector. The expected investments would not only come from the government but also from public-private partnerships and private financing.

The government is planning to incentivize private financing to increase private participation. Apart from the continuation of government incentives, such as the Green Technology Financing Scheme, the Green Investment Tax Allowance, and the Green Income Tax Exemption, the focus should be on institutional reforms.

In addition to the NEM scheme, Malaysia has also introduced the large-scale solar (LSS) competitive bidding program to drive down the energy cost to develop large-scale solar photovoltaic plants (LSS).

As per IRENA 2021 statistics, in 2020, Malaysia generated 8,699 MW of electricity from renewables. Therefore, supportive government policies and initiatives are expected to drive solar and renewable energy share.

Malaysia Solar Energy Market Competitor Analysis

The Malaysian solar energy market is moderately fragmented. The key players in the market include JA SOLAR Technology Co.

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

Ltd, Solarvest Holdings Berhad, TNB Engineering Corporation Sdn Bhd, Canadian Solar Inc., and Plus Xenergy Holding Sdn Bhd.

Additional Benefits:

The market estimate (ME) sheet in Excel format

3 months of analyst support

Table of Contents:

1 INTRODUCTION

1.1 Scope of the Study

1.2 Market Definition

1.3 Study Assumptions

2 EXECUTIVE SUMMARY

3 RESEARCH METHODOLOGY

4 MARKET OVERVIEW

4.1 Introduction

4.2 Solar Energy Installed Capacity and Forecast in MW, till 2027

4.3 Recent Trends and Developments

4.4 Government Policies and Regulations

4.5 Market Dynamics

4.5.1 Drivers

4.5.2 Restraints

4.6 Supply Chain Analysis

4.7 PESTLE Analysis

5 MARKET SEGMENTATION - BY END USER

5.1 Residential

5.2 Commercial and Industrial (C&I)

5.3 Utility

6 COMPETITIVE LANDSCAPE

6.1 Mergers and Acquisitions, Joint Ventures, Collaborations, and Agreements

6.2 Strategies Adopted by Leading Players

6.3 Company Profiles

6.3.1 First Solar Inc.

6.3.2 Canadian Solar Inc.

6.3.3 Plus Xenergy Holding Sdn Bhd

6.3.4 TNB Engineering Corporation Sdn Bhd

6.3.5 Solarvest Holdings Berhad

6.3.6 JA SOLAR Technology Co. Ltd

6.3.7 SunPower Corporation

6.3.8 Trina Solar

6.3.9 TS Solartech Sdn Bhd

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com

Malaysia Solar Energy Market - Growth, Trends, Covid-19 Impact, and Forecasts (2023 - 2028)

Market Report | 2023-01-23 | 95 pages | Mordor Intelligence

To place an Order with Scotts International:

- ☐ - Print this form
- ☐ - Complete the relevant blank fields and sign
- ☐ - Send as a scanned email to support@scotts-international.com

ORDER FORM:

Select license	License	Price
	Single User License	\$4750.00
	Team License (1-7 Users)	\$5250.00
	Site License	\$6500.00
	Corporate License	\$8750.00
		VAT
		Total

*Please circle the relevant license option. For any questions please contact support@scotts-international.com or 0048 603 394 346.

** VAT will be added at 23% for Polish based companies, individuals and EU based companies who are unable to provide a valid EU Vat Numbers.

Email*	<input type="text"/>	Phone*	<input type="text"/>
First Name*	<input type="text"/>	Last Name*	<input type="text"/>
Job title*	<input type="text"/>		
Company Name*	<input type="text"/>	EU Vat / Tax ID / NIP number*	<input type="text"/>
Address*	<input type="text"/>	City*	<input type="text"/>
Zip Code*	<input type="text"/>	Country*	<input type="text"/>
		Date	2025-05-06
		Signature	

Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com

www.scotts-international.com



Scotts International. EU Vat number: PL 6772247784

tel. 0048 603 394 346 e-mail: support@scotts-international.com
www.scotts-international.com