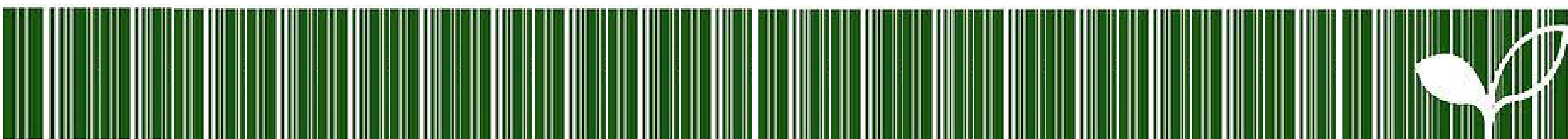


PAM Northern Chapter

The Impact of EECa and BCX in Architecture

Michael Ching

15 March 25



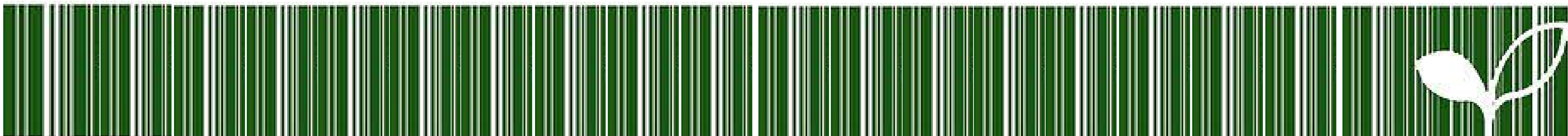
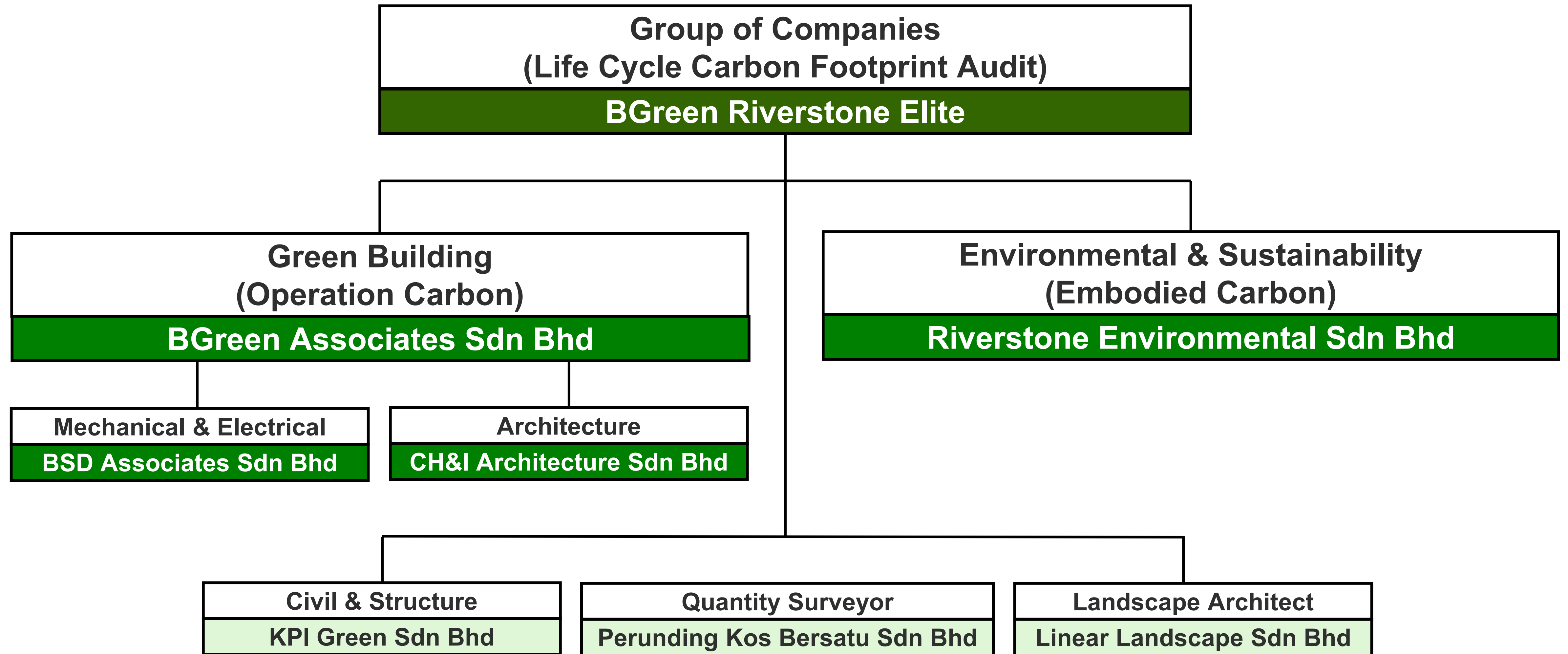
BGREEN
RIVERSTONE
ELITE

Content

1. Introduction
2. Energy Efficiency and Conservation Act (EECA)
3. Energy Audit Conditional Grant (EACG)
4. Sustainability by Design: Mixed-Mode
5. Bursa Carbon Exchange (BCX)
6. Embodied Carbon (EC): Upfront Carbon
7. Sustainability in Specifications: Environmental Product Declarations (EPDs)



Introduction





BGREEN
RIVERSTONE
ELITE



malaysiaGBC



2024 Awards



**World Green Building Council Asia Pacific Network
Leadership in Sustainable Design and Performance Award 2024
Best New Green Residential Building – Winner**

2024 Awards



Malaysia Green Building Council
Leadership in Sustainability Award 2024
Best New Green Commercial Building – Winner
Best New Green Residential Building (Highrise) – Winner
Best New Green Residential Building (Landed) – Winner
Best New Green Institutional Building – Runner Up



Malaysia Ministry of Energy and Natural Resources
National Energy Awards 2024
Energy Efficient Green Building – Runner Up
Green Building (Large) – Winner
Green Residential – Winner



ASEAN Centre for Energy
ASEAN Energy Efficiency and Conservation Best Practices Awards 2024
Green Building (Large)(2nos)
Green Resident

2023 Awards



Malaysia Ministry of Energy and Natural Resources
National Energy Awards 2023
Green Building (Large) – Winner
Green Building (Large) – Merit
Energy Efficient Green Building (Large) – Runner Up (2nos)



ASEAN Centre for Energy
ASEAN Energy Efficiency and Conservation Best Practices Awards 2023
Green Building (Large) – Winner

2022 Awards



Malaysia Green Building Council
Leadership in Sustainability Award 2022
Best New Green Institutional Building – Winner
Best Sustainability Leadership for Consultant – Honorary Mention



Malaysia Ministry of Energy and Natural Resources
National Energy Awards 2022
Energy Efficient Green Building (Large) – Winner
Energy Efficient Green Building (Large) – Runner Up



ASEAN Centre for Energy
ASEAN Energy Efficiency and Conservation Best Practices Awards 2022
Green Building (Large) – Winner
Green Building (Large) – 2nd Runner Up



EECA

Energy Efficient and Conservation Act

Achieving net zero emissions by 2050 involves implementing initiatives outlined under the National Energy Transition Roadmap (NETR) that includes **energy efficiency**, renewable energy, hydrogen, green infrastructure, carbon capture, utilization and storage to enhance Malaysia's resilience

Dato Seri Anwar Ibrahim, The Honorable Prime Minister of Malaysia @ Nikkei Forum on the Future of Asia, 23 May, 2024





LAWS OF MALAYSIA

Act 861

**ENERGY EFFICIENCY AND CONSERVATION
ACT 2024**

Royal Assent Date 14 Nov 2024
Publication Date in Gazzate 26 Nov 2024
Commencement 01 Jan 2025

EECA Technical Expert Working Group Members

1. **Ar Michael, Ching Chee Hong** - Malaysia Green Building Council
2. **Mr Tan Tze Meng** - Malaysia Digital Economy Corporation Sdn. Bhd
3. **Ir Chen Thiam Leong** - PRIMETECH Engineers Sdn. Bhd.Malaysia
4. **Mr Gregers Rehman** - IEN Consultants Sdn. Bhd.
5. **Ts. Steve Anthony Lojuntin** - Sustainable Energy Development Authority (SEDA)
6. **Assoc. Prof. Ir. Dr Nofri Yenita Dahlan** - Universiti Teknologi MARA (UiTM)
7. **Ir. Lum Youk Lee** - Persatuan Pengurusan Kompleks Malaysia (PPKM)

EECA Introduction

The Act regulates the efficient consumption of energy and conservation of energy with the aim to improve and **increase energy efficiency and to avoid waste of energy**, and to provide for related matters.

EECA Application

1. Any **Energy Consumer** whose energy consumption for a period of 12 consecutive months $\geq 6,000,000 \text{ kWh}$ or 21,600 gigajoule (GJ), which is approximately RM2.4 million in annual electricity bill (RM 200,000 monthly) or RM1 million in natural gas bill.
2. Any **Building** as describe in the 3rd Schedule: ie **Office Building GFA > 8000 m²**
3. Any energy-using product as specified in the guidelines.



Office
GFA > 8000 m²



Education
Institute



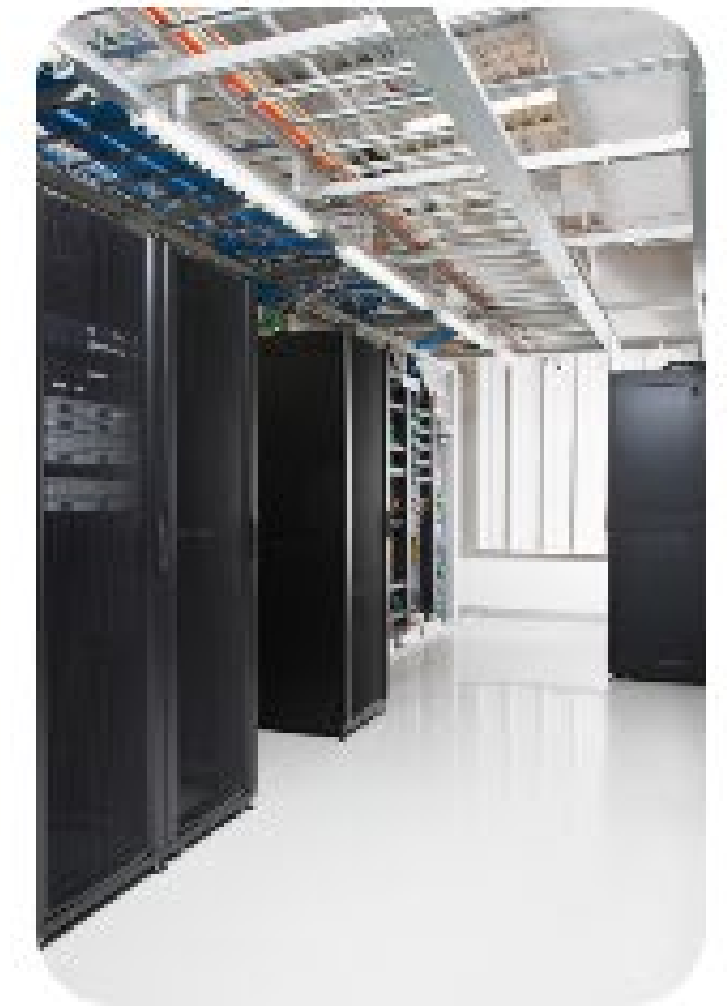
Healthcare



Hotel



Retail



Data Center

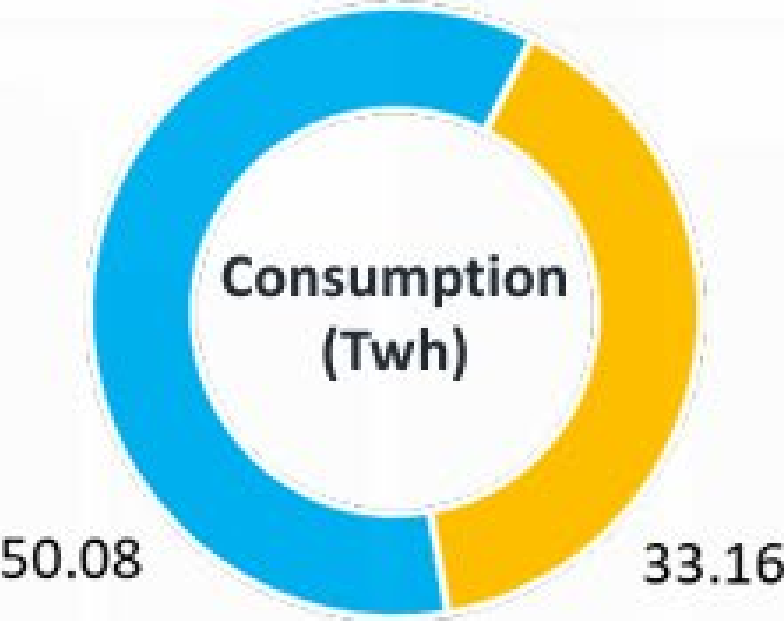
EECA Application

1. Any **energy consumer** whose energy consumption for a period of 12 consecutive months **$\geq 6,000,000$ kWh** or 21,600 gigajoule (GJ), which is approximately RM2.4 million in annual electricity bill or RM1 million in natural gas bill.

INDUSTRIAL

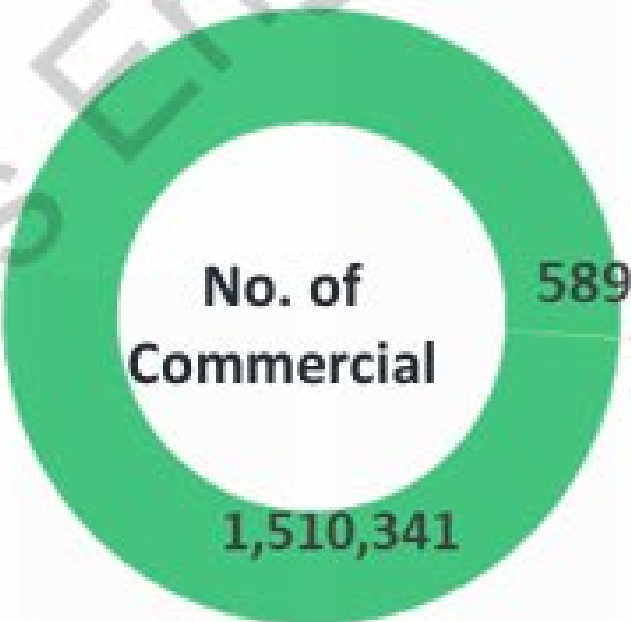


4.3% Industrial installations are subjected to EECA from a total of 28,687 Industrial Consumer (data from TNB).

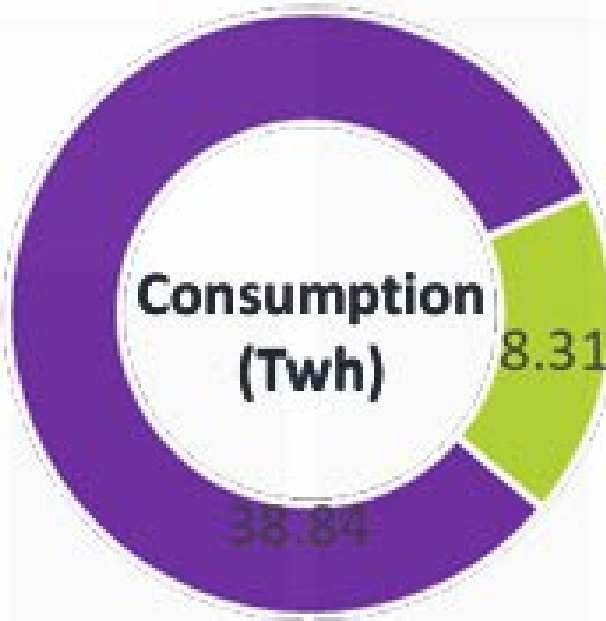


66% of total industrial consumption.

COMMERCIAL



0.04% Commercial installation are subjected to EECA from a total of 1.5 million Commercial consumer (data from TNB).

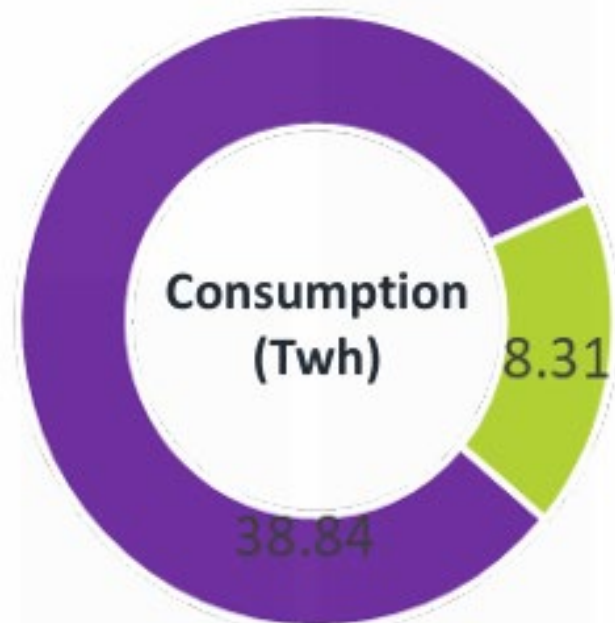


21% of total Commercial consumption.

EECA Application

2. Any building as describe in the 3rd Schedule: ie **Office Building GFA > 8000 m²**

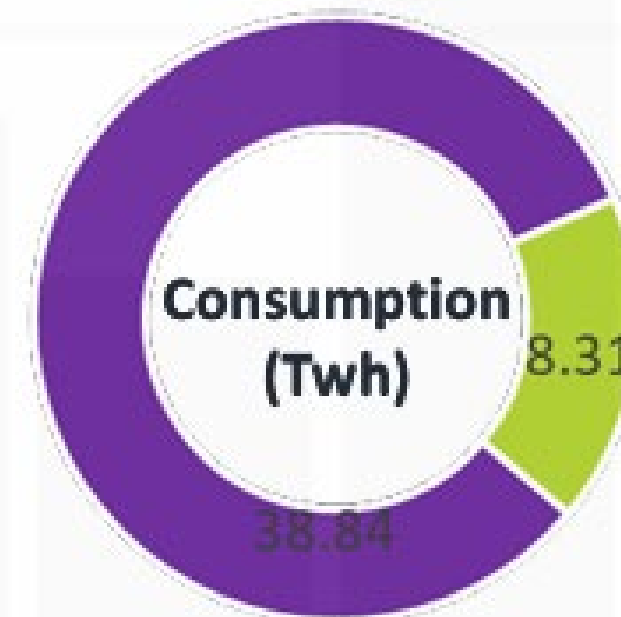
COMMERCIAL



The remaining **79%** of the commercial or buildings consumption will be regulated via building energy efficiency requirements known as Building Energy Intensity Labelling (BEI Label).



0.04% Commercial installation are subjected to EECA from a total of 1.5 million Commercial consumer (data from TNB).



21% of total Commercial consumption.

EECA Implementation



The **Energy Commission (EC)** is responsible for overseeing the implementation of the Act, including:

1. setting energy efficiency policies and targets
2. exercising regulations
- 3. impose penalties**

EECA Energy Consumer - Duties

1. Appoint a **Registered Energy Manager (REM)**

The REM is responsible for implementing and monitoring energy management systems, preparing energy efficiency reports, and advising on energy-saving measures.

2. Develop and Implement an **Energy Management System (EMS)**

Energy Consumers must develop an EnMS within a prescribed period and in accordance with the guidelines provided by the Commission.

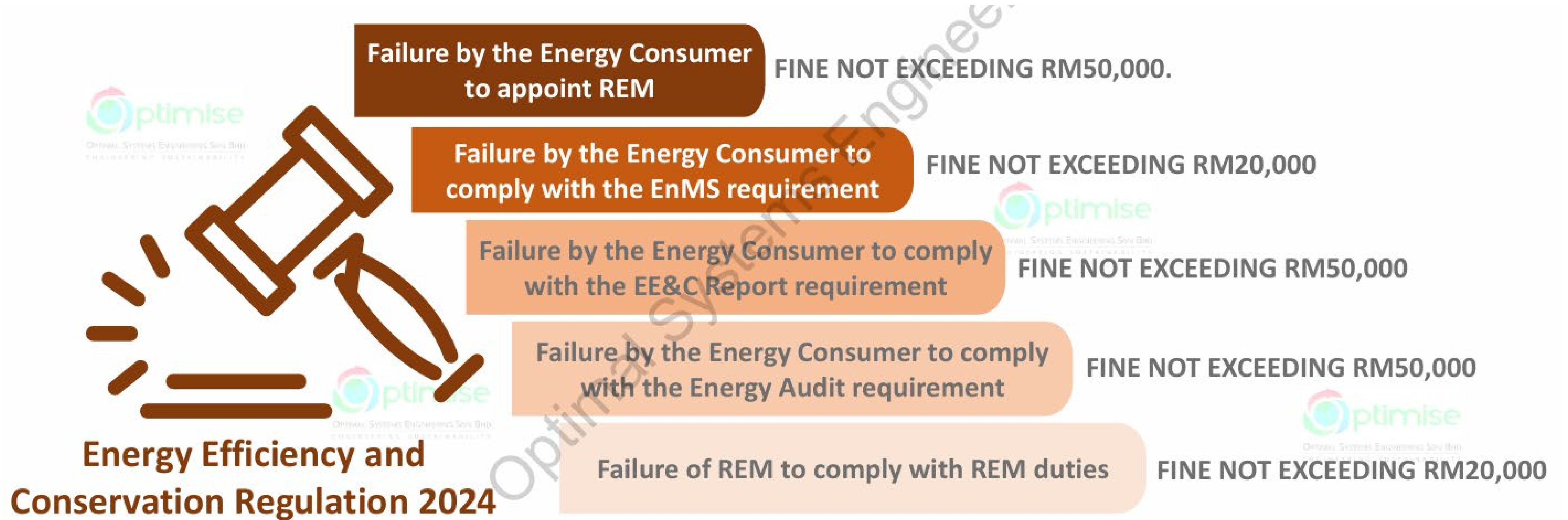
3. Submit **Energy Efficiency and Conservation (EEC) Annual Reports**

The REM must prepare and submit these reports, detailing energy consumption, management systems, and proposed improvements.

4. Conduct **Periodic Energy Audits:**

Energy audits must be conducted every **5 years** by a Registered Energy Auditor (REA), and the resulting audit report must be submitted to the Commission.

EECA Energy Consumer - Penalty



EECA Building - Duties

1. Building Energy Intensity Label (BEL):

Comply with BEL within 30 days after expiry of 1 year period from the date the **person-in-charge** received the notice from EC. If Building Energy Intensity (BEI) < 2 Stars, the building need to appoint a Register Energy Auditor (REA) to perform a mandatory Energy Audit.

2. Prepare and Implement an **Energy Efficiency Improvement Plan**:

Based on the energy audit, the **person-in-charge** must prepare a plan to improve energy efficiency, submit it for approval, and implement the approved plan.

3. Conduct **Periodic Energy Audits**:

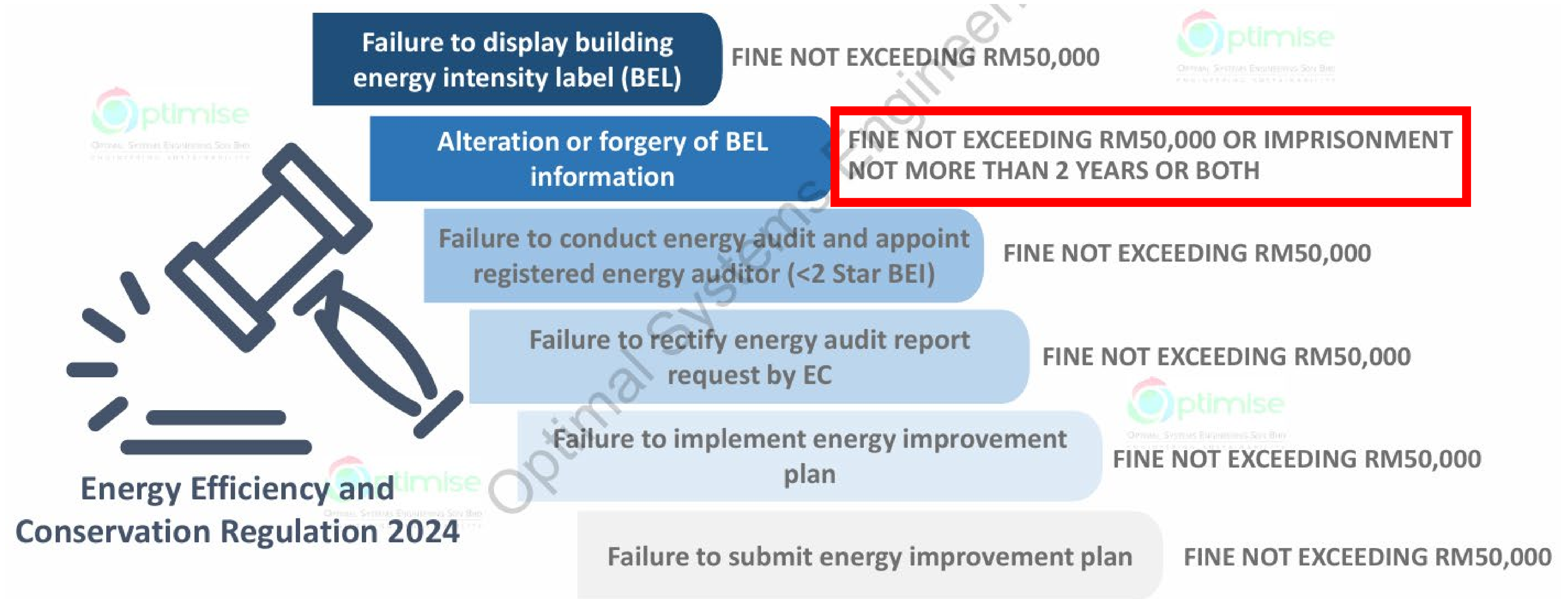
Energy audits must be conducted every **5 years** by a Registered Energy Auditor (REA), and the resulting audit report must be submitted to the Commission.

Note:

A Person-in-charge of a building denotes the owner of a building or any other person having the charge, management or control of a building.

Shall not apply in respect of a building where the person-in-charge is also an energy consumer.

EECA Building - Penalty



EECA Energy Consumer & Building - Penalty

**Failure to furnish any information
required by the EC**

**FINE NOT EXCEEDING RM100,000 OR
IMPRISONMENT NOT MORE THAT 2 YEARS OR BOTH**

**Internationally alters information
which required by the EC**

**FINE NOT EXCEEDING RM100,000 OR
IMPRISONMENT NOT MORE THAT 2 YEARS OR BOTH**

**Refuse to assist to facilitate the EC in
carrying out the review or audit**

**FINE NOT EXCEEDING RM100,000 OR
IMPRISONMENT NOT MORE THAT 2 YEARS OR BOTH**



**Energy Efficiency and
Conservation Regulation 2024**

EECA Building – Building Energy Intensity Label (BEL)



EECA Building – Building Energy Intensity Label (BEL)

Star Rating	EIP Range (GJ/m ² /year)	EIP Range (kWh/m ² /year) 1 GJ = 277.778 kWh	Indication
5-Star	$\text{EIP} \leq 0.324$	$\text{EIP} \leq 90$	Very efficient
4-Star	$0.324 < \text{EIP} \leq 0.396$	$90 < \text{EIP} \leq 110$	Efficient
3-Star	$0.396 < \text{EIP} \leq 0.576$	$110 < \text{EIP} \leq 160$	Moderate efficient
2-Star	$0.576 < \text{EIP} \leq 0.720$	$160 < \text{EIP} \leq 200$	Slightly efficient
1-Star	$\text{EIP} > 0.720$	$\text{EIP} > 200$	Least efficient

Table 1: The EER for an office building.

Star Rating	EIP Range (GJ/m ² /year)	EIP Range (kWh/m ² /year) 1 GJ = 277.778 kWh	Indication
5-Star	$\text{EIP} \leq 0.684$	$\text{EIP} \leq 190$	Very efficient
4-Star	$0.684 < \text{EIP} \leq 0.864$	$190 < \text{EIP} \leq 240$	Efficient
3-Star	$0.864 < \text{EIP} \leq 1.224$	$240 < \text{EIP} \leq 340$	Moderate efficient
2-Star	$1.224 < \text{EIP} \leq 1.512$	$340 < \text{EIP} \leq 420$	Slightly efficient
1-Star	$\text{EIP} > 1.512$	$\text{EIP} > 420$	Least efficient

Table 2: The EER for an office building with chilled water supply

EECA Building – Building Energy Intensity Label (BEL)

$$BEL \text{ office building} = \frac{\text{Energy Consumption (GJ)}}{\text{GFA (m}^2\text{)}}$$

- The energy consumption refers to the total amount of energy used by the building within a period of twelve consecutive months which includes electricity, natural gas and any other energy or energy resources consumed for heating, cooling, lighting and other building operations (including from renewable energy sources).

- GFA – Gross Floor Area

The Gross Floor Area (GFA) for an office building refers to the total area of floor space within a building, as measured between the external sides of wall or, in the case of party walls, between the centres of such walls but it excludes the following areas:

- a) parking spaces and circulation areas, including any mechanical or electrical spaces within the parking area of the building;
- b) open or covered parking area outside the building;
- c) staircases and lift shafts on floors other than the ground floor or lobby;
- d) waiting area for commercial vehicles unloading goods;
- e) gardens or recreational facilities for residents provided on the rooftop or podium in open or semi-open spaces;
- f) pedestrian pathway connected to the building or transit station, including any supporting activities; and
- g) pedestrian pathways within buildings functioning as public walkways.



EACG

Energy Audit Conditional Grant

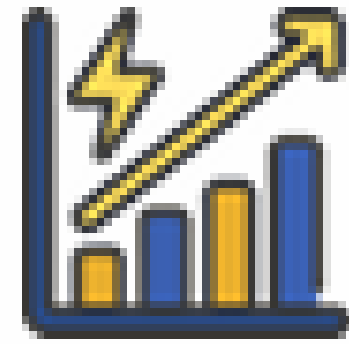


ENERGY AUDIT CONDITIONAL GRANT RMK-12 FOR INDUSTRIAL AND COMMERCIAL SECTOR (GENERAL INFORMATION)

EACG Introduction



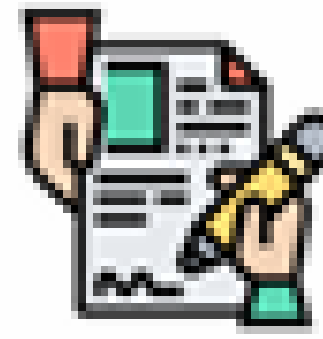
EACG Eligibility



ELECTRICITY USAGE

Open to any commercial
and industrial
installation with
minimum monthly
consumption
100,000 kWh/month

Approximately RM40,000
in monthly electricity bill



NON EACG RMK11 APPLICANT

Not eligible for any
installation which has
**received a grant from
the previous Energy
Audit Conditional Grant
RMk-11**



APPOINT REEM

– Must appoint
Registered Electrical
Energy Manager (REEM)

EACG Benefit

Grant Provided by Government

- Grant amount up to RM100,000 for industrial and RM60,000 for commercial sector

Platform and Facilitation

- Facilitation from the energy expert throughout 3 years contract period
- Option for No-Cost energy saving implementation

Capacity Development

- Staff trained in Energy Management and Energy Audit (Competency) - Free for Grant Applicant
- Able to upgrade to Registered Electrical Energy Manager (REEM)

Recognition and Award

- Establish energy baseline and potential energy saving
- Voluntary sustainable energy low carbon building assessment such GreenPASS, BEI Labelling and National Energy Award

Reduce Operating Cost

- Saving from Energy Saving Measures (ESM) Implementation

EACG Term and Condition



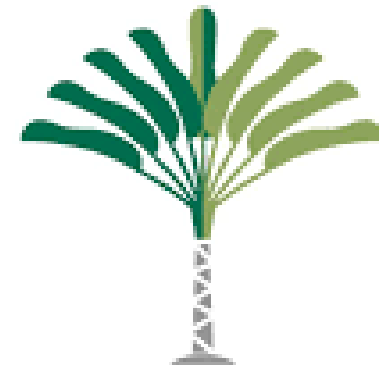
Case Study



Selected Clients (Green Building & Energy Audit)

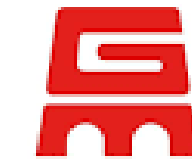


IOI GROUP



PARKCITY®

MALTON



GAMUDA



UOA GROUP

BSG | Property



PLATINUM VICTORY
Creating Magical Moments



BERJAYA

SkyWorld®

ECOWORLD
CREATING TOMORROW & BEYOND



GADANG



LUM CHANG



BINASTRA
LAND



MATRIX



PERKESO

PNB

Permodalan Nasional Berhad



Maybank



TENAGA
NASIONAL



PKNS



TZU CHI



UNIVERSITI
MALAYA



KYM HOLDINGS BHD.



TechnipFMC

Project Introduction

GROSS FLOOR
AREA (GFA) 43, 648 m²

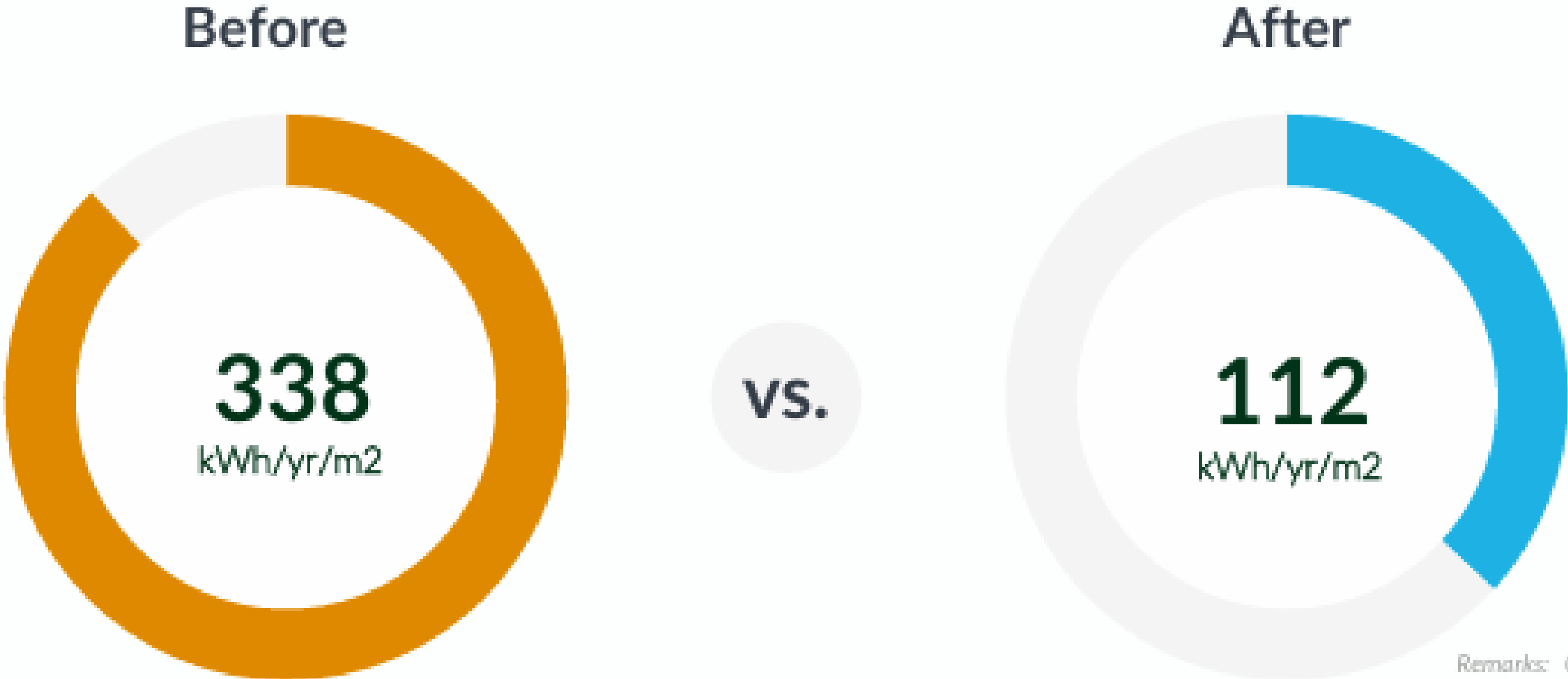
37 (since 1987) BUILDING AGE'S

CURRENT
OCCUPANCY RATE
(%) 70%

CERTIFIED GREEN
BUILDING INDEX
RATING



Building Energy Intensity



Remarks: Car Parks & Data Center Electricity Usage has been excluded from the BEI Calculation. The BEI also normalised to the common operation hours of office building (52 WOH - average actual WOH is 63 hours per week)

- 1.6 kW/RT (The overall existed chiller plant system)
- 2 nos. x 600 RT + 1nos. x 750 RT – average chiller performance 0.934 kW/rt

CHILLER PLANT EFFICIENCY

CHILLER CONFIGURATION

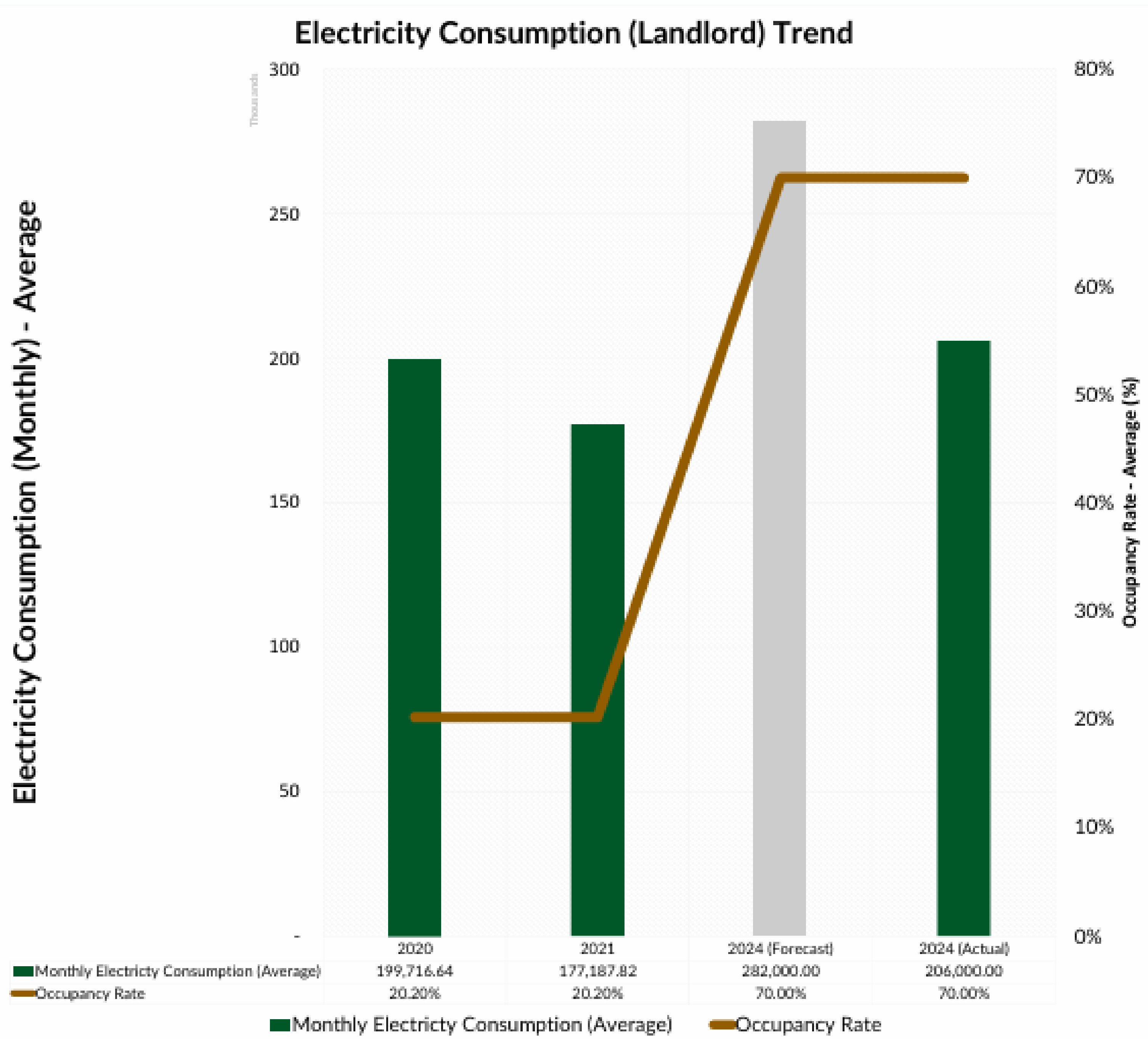
NEW ADDED FEATURES

- 0.76 kW/RT (The overall upgraded chiller plant system)
- Replaced 750RT with high efficient 450RT chiller with performance efficiency of 0.63 kW/RT
- High efficient pumps + motor c/w Variable Speed Drive.
- Carbon Dioxide Sensor

- There is often significant relationship between the electricity consumption of a building and its occupancy rate.
- The relationship between **occupancy rate and electricity consumption** is typically linear (positive correlation), meaning that as the occupancy rate increases, the electricity consumption also tends to increase as shown in the next graph.
- **Forecast** is made based on the Business As Usual (BAU) data (2020 to 2021), shows that the electricity consumption (landlord) could achieve 282,000 kWh/mth (when the occupancy rate hit 70%) if no upgrading work being imposed or introduced to the building system (*refer to bar chart in grey color*).
- From the graph, it shows that the building **save** about 75,000 kWh/mth or 900,000 kWh/yr (702,000 kgCO₂e) through the upgrading works that have been carried out to the building.

4.0 Years
Return of Investment
(ROI)

Electricity Consumption (Monthly) - Average



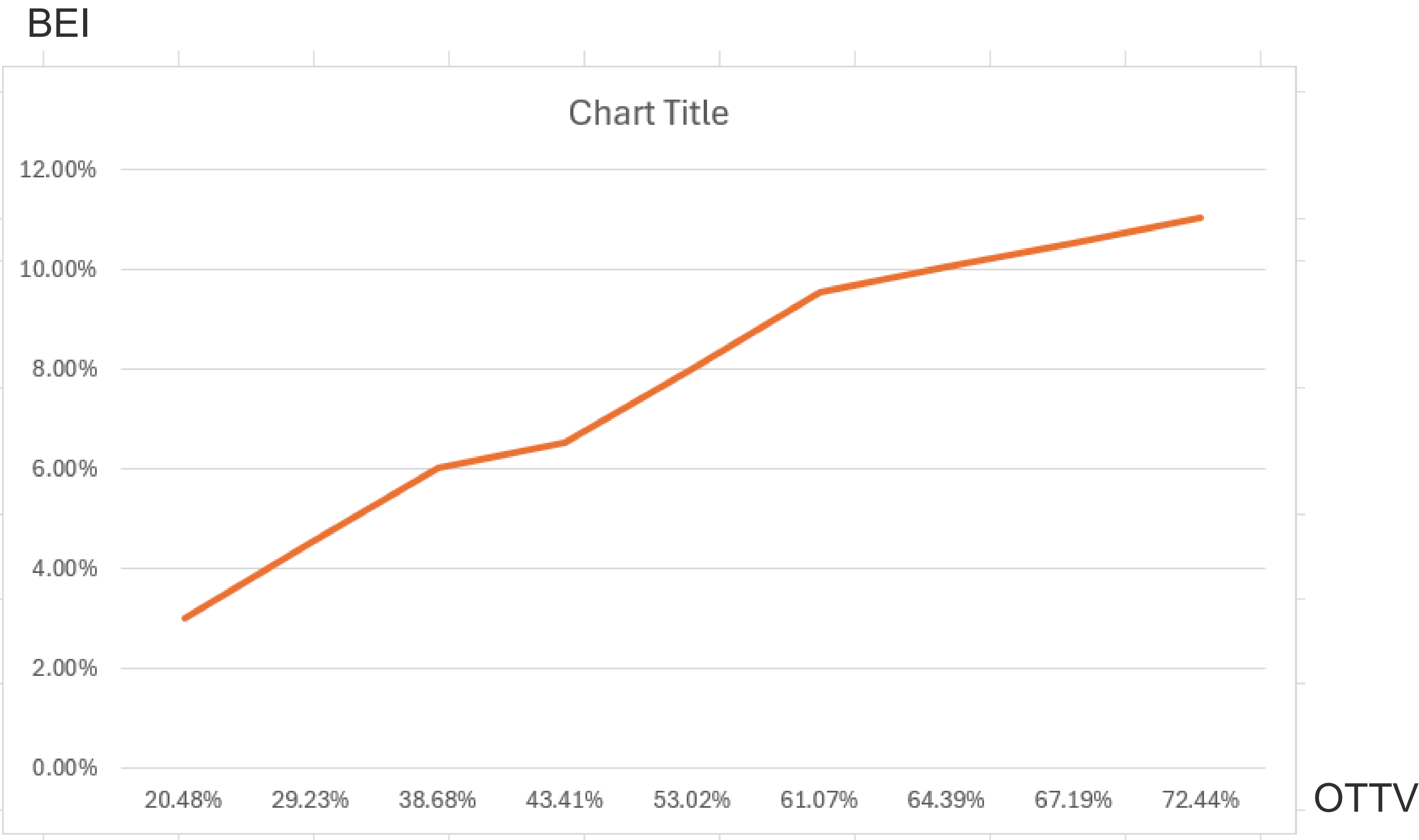


Sustainability by Design

Mixed-Mode

Passive Design

- 1. Orientate
- 2. Insulate
- 3. Shade
- 4. Daylit
- 5. Ventilate
(Mixed-Mode Cooling)



Mixed Mode

Mixed-mode refers to a hybrid approach to space conditioning that uses a **combination of natural ventilation** from **operable windows (either manually or automatically controlled)** or **other passive inlet vents**, and **mechanical systems** that provide air distribution and some form of cooling.

- Brager, G. (2006) *Mixed-mode cooling*. ASHRAE

OPERATING MODE OF INTEREST

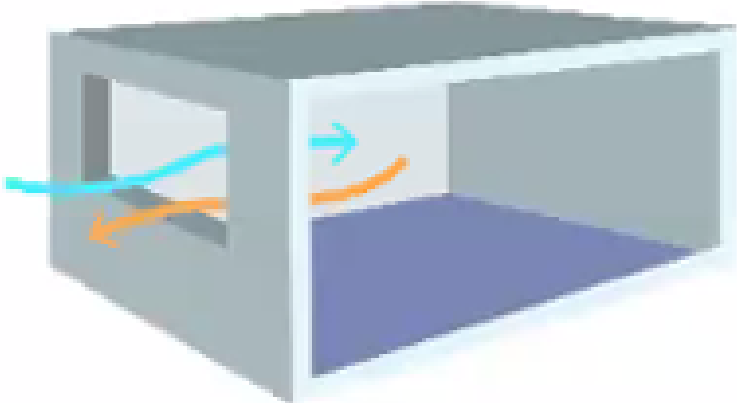
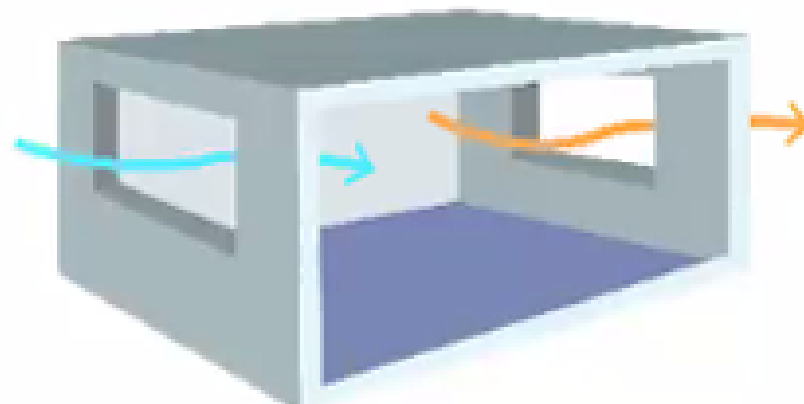
Concurrent (Same space, same time)



Change-over (Same space, different times)



Mixed Mode

TYPE OF VENTILATION	CIBSE (AM10)	ASHRAE 62.1-2022
<p>Single Side Ventilation</p> 	<ul style="list-style-type: none">• The limiting depth for effective ventilation is about twice the floor-to-ceiling height.• The limiting depth for effective ventilation is about 2.5x the floor-to-ceiling height for single sided double opening ventilation	<ul style="list-style-type: none">• The limiting depth (W) for effective ventilation is twice the floor-to-ceiling height (H) [$W \leq 2H$]• Limiting depth for effective single sided ventilation is no more than 8m.• This can be extended to 12m with use of air movement technologies such as ceiling fans.
<p>Cross Ventilation</p> 	<ul style="list-style-type: none">• The maximum distance between the two facades is 5x times the floor-to-ceiling height.	<ul style="list-style-type: none">• The limiting depth(W) for effective ventilation is five times the floor-to-ceiling height (H) [$W \leq 5H$]• Limiting depth for effective cross ventilation is 15m. This can be extended to 24m with use of air movement technologies such as ceiling fans.

Mixed Mode

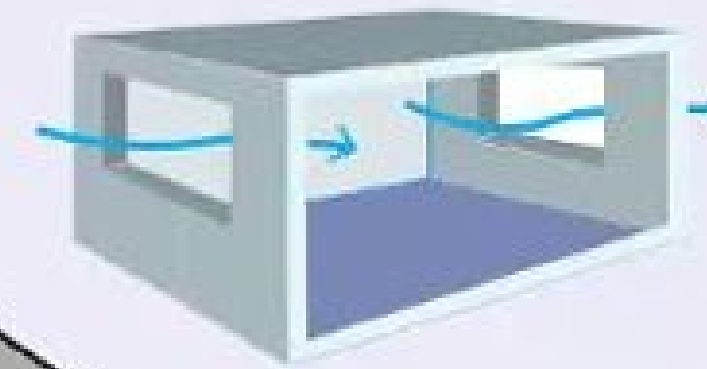
DEPTH (W) TO HEIGHT LIMIT FOR EFFECTIVE VENTILATION

To optimize ventilation efficiency, the limiting depth (W) should not exceed 2.5 times the floor-to-ceiling height (H). This helps to proper airflow distribution and improves natural ventilation effectiveness.



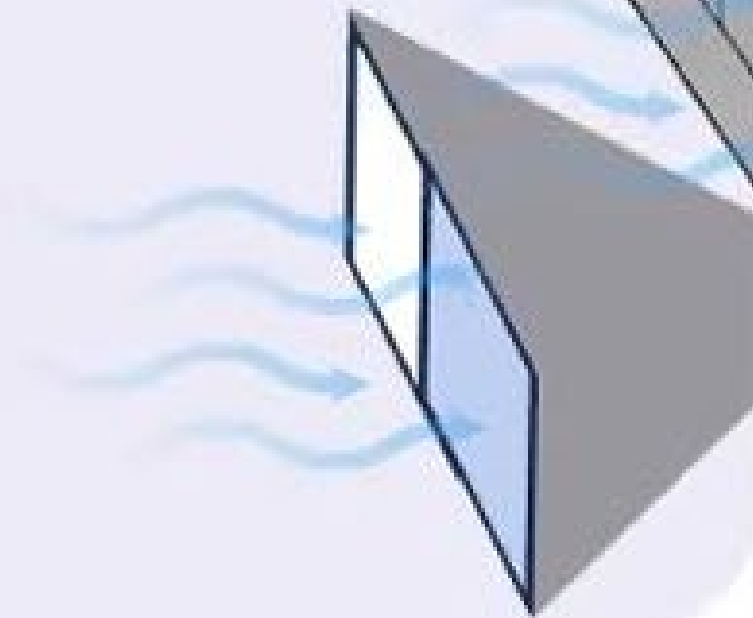
CROSS VENTILATION

The provision of double-sided openings whether through corner openings on adjacent façades or cross-ventilation on opposite façades is highly recommended, as it significantly enhances airflow and improves ventilation within a space.



OPERABLE WINDOWS

Incorporate operable windows, even if typically closed, to enable the building to adapt to epidemic conditions and provide additional ventilation when needed.



MAXIMISE MIXING IF SUFFICIENT VENTILATION PROVIDED

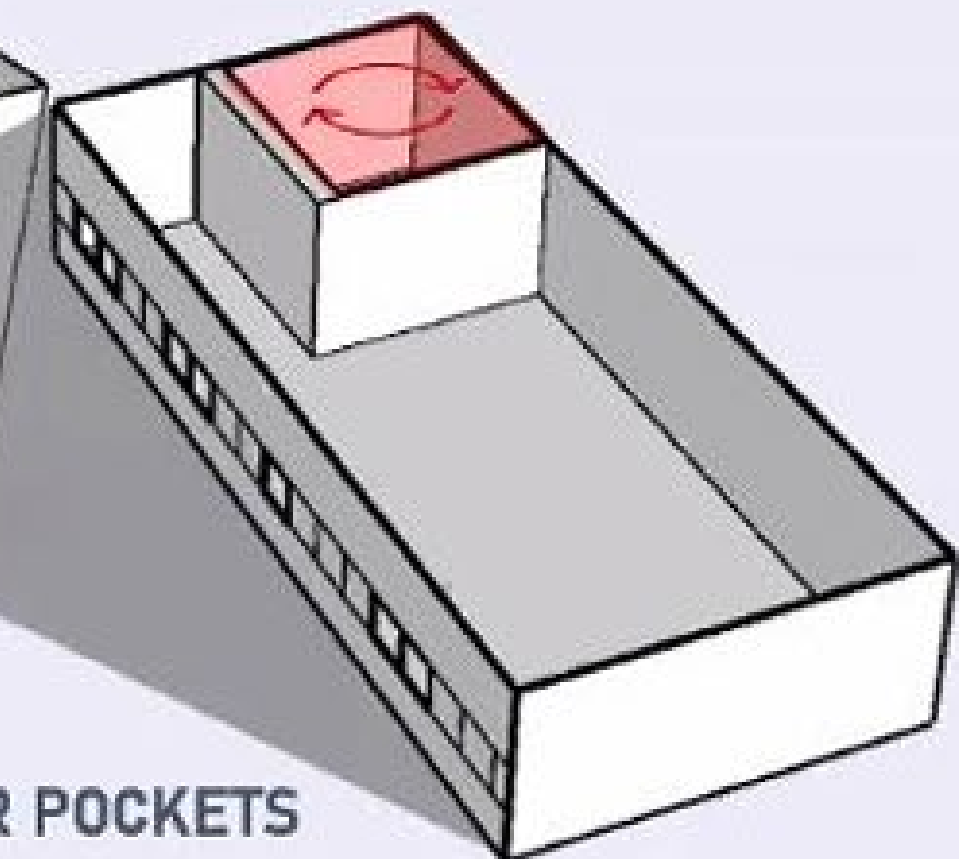
The use of air mixing devices such as ceiling fans can improve air distribution and enhance thermal comfort throughout the space.



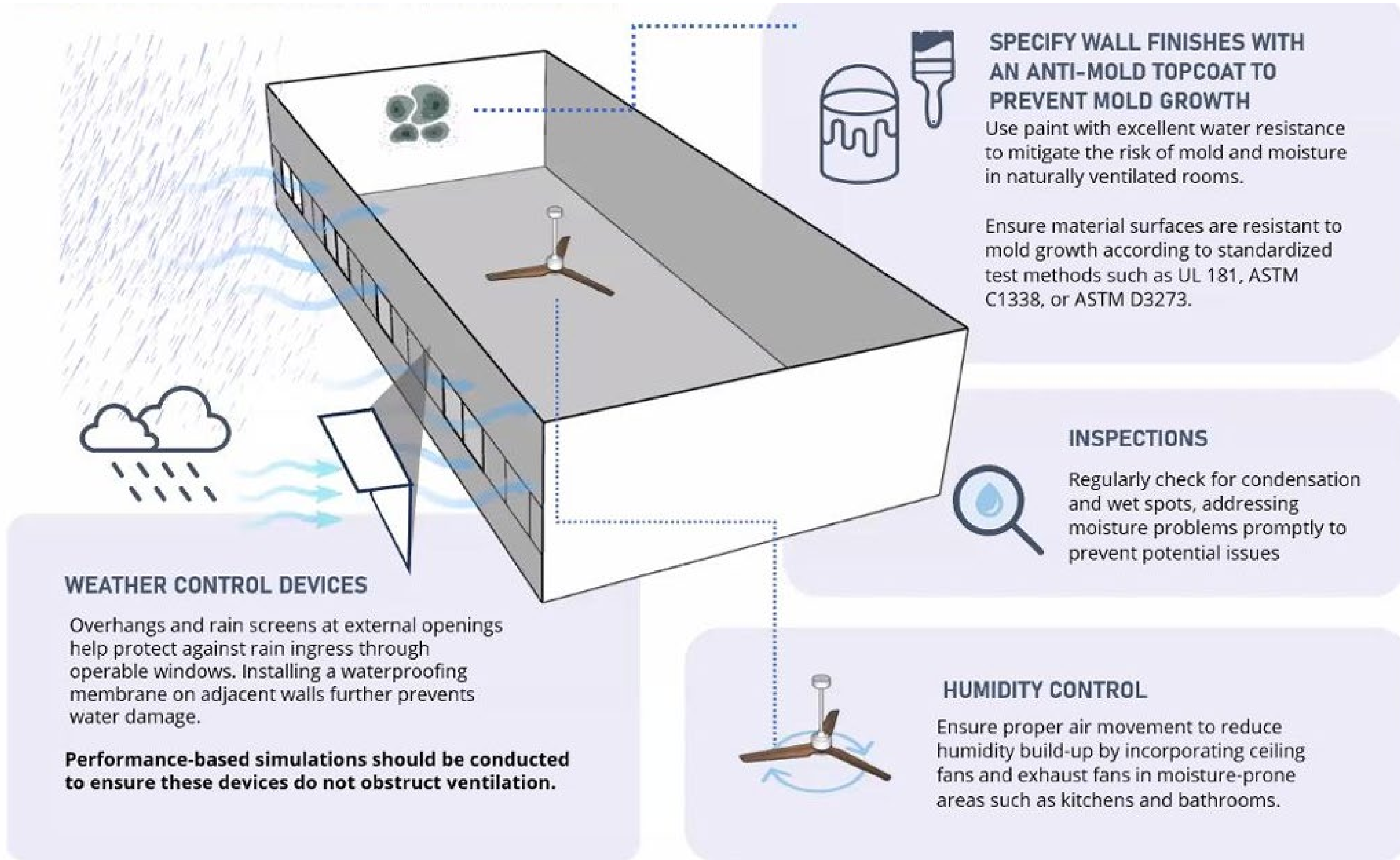
ELIMINATING DEAD AIR POCKETS

These poorly ventilated zones can cause discomfort, humidity buildup, mold growth, and increased concentrations of viruses and pollutants.

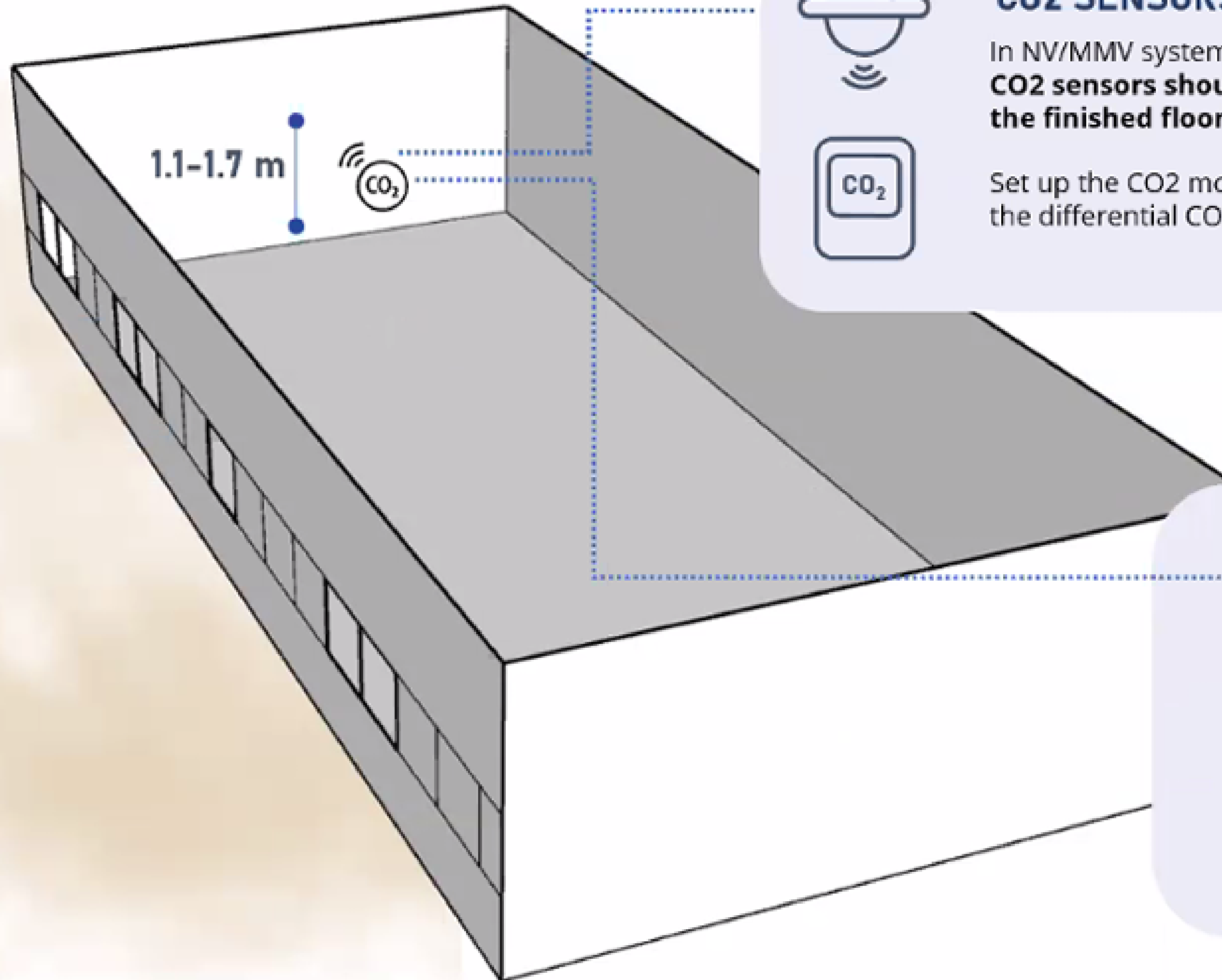
Optimize Airflow Design by strategically placing windows in different locations throughout the room to enhance natural ventilation and ensure even air distribution.



Mixed Mode



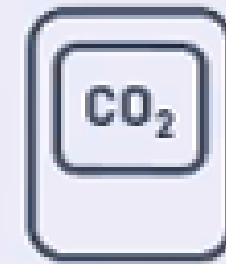
Mixed Mode



CO2 SENSORS

In NV/MMV systems, a CO2 level below **800ppm indicates good ventilation**. **CO2 sensors should be installed at the breathing zone (1.1 - 1.7m above the finished floor)** in each ventilation zone to ensure effective monitoring.

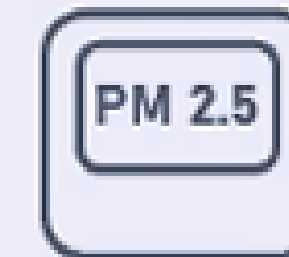
Set up the CO2 monitoring system to trigger an audible or visual alarm when the differential CO2 concentration surpasses the recommended levels.



PM2.5 SENSORS

Avoid opening windows when outdoor air quality is **below the acceptable level (PSI > 100)**. During unfavorable air quality conditions, operate the building with full air conditioning to maintain a controlled indoor environment.

Monitor PM2.5 levels to determine instances when **natural ventilation should be avoided due to poor outdoor air quality**, and the opening of windows avoided.

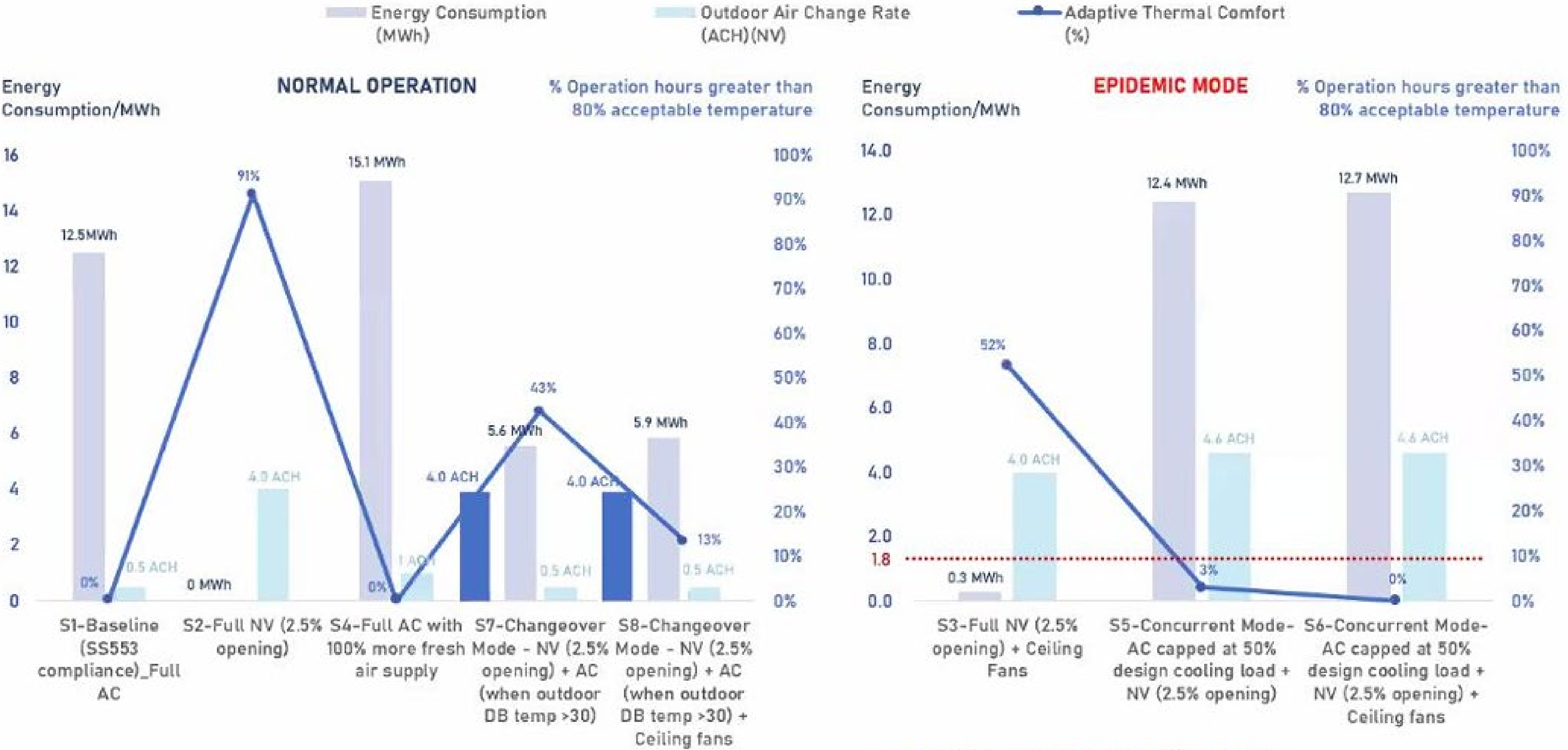


Mixed Mode

Operation Mode	Scenario	Description	Simulation Results		
Full Operation NV/AC	Scenario 1	Full AC - Baseline (SS553 Compliance)	Outdoor Air Change Rate (ACH)	Energy Consumption (MWh)	Adaptive Thermal Comfort (%)
	Scenario 2	Full NV (2.5% opening)			
	Scenario 3	Full NV (2.5% opening) + Ceiling Fans			
	Scenario 4	Full AC with 100% more fresh air supply compared to minimum code requirement			
Concurrent Mode	Scenario 5	Part Load AC capped at 50% design cooling load + NV (2.5% opening)			
	Scenario 6	Part Load AC capped at 50% design cooling load + NV (2.5% opening) + Ceiling fans			
Changeover Mode	Scenario 7	NV (2.5% opening) + AC (when outdoor DB temp >30)			
	Scenario 8	NV (2.5% opening) + AC (when outdoor DB temp >30) + Ceiling fans			

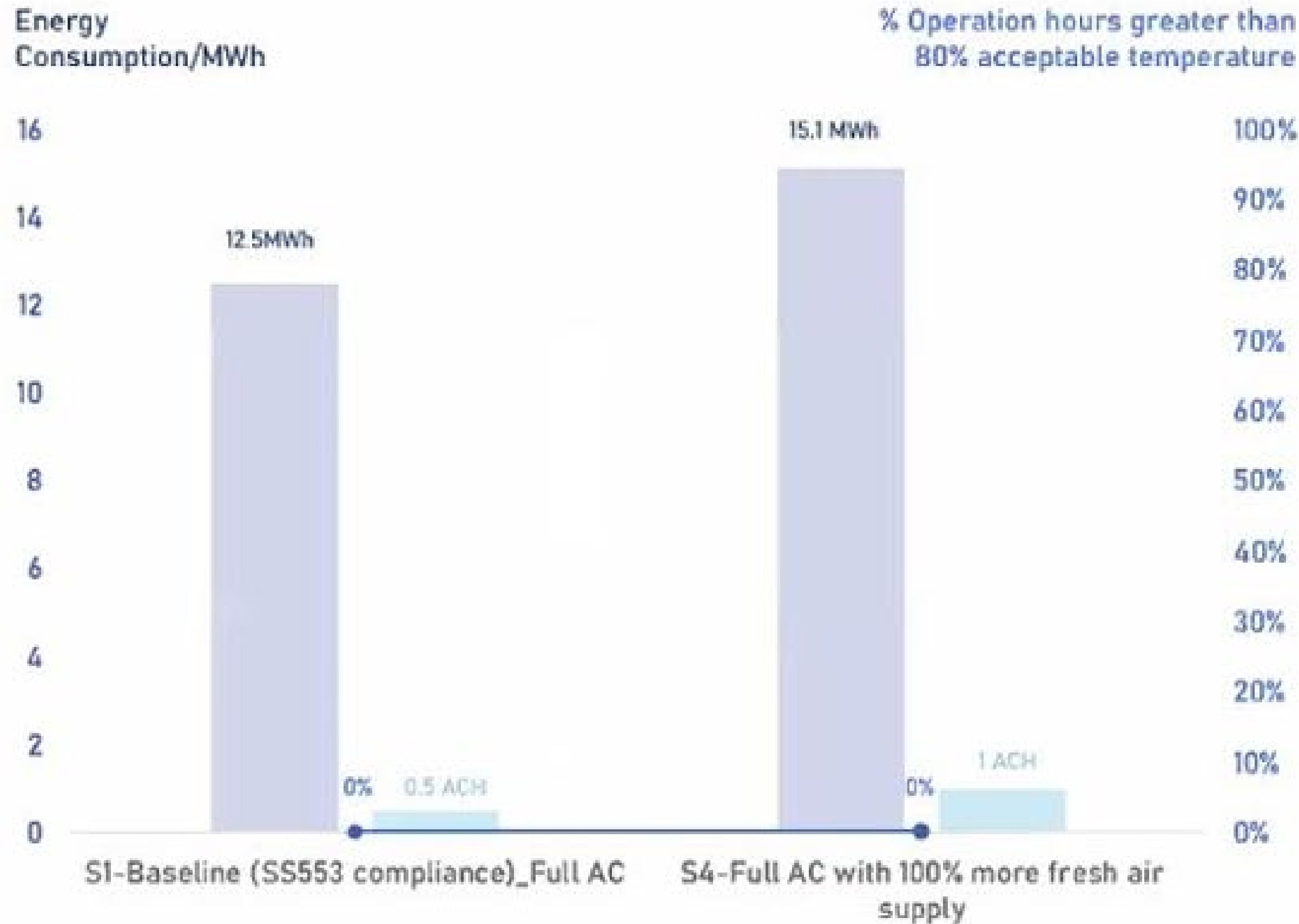
Mixed Mode

Adaptive Thermal Comfort denotes people's perceptions of their environment change based on climatic temperature and humidity as well as their capacity to control the conditions in a space.



..... Epidemic Mode (Min Ventilation Rate)
ASHRAE Standard 241-2023

Mixed Mode



SCENARIO 4

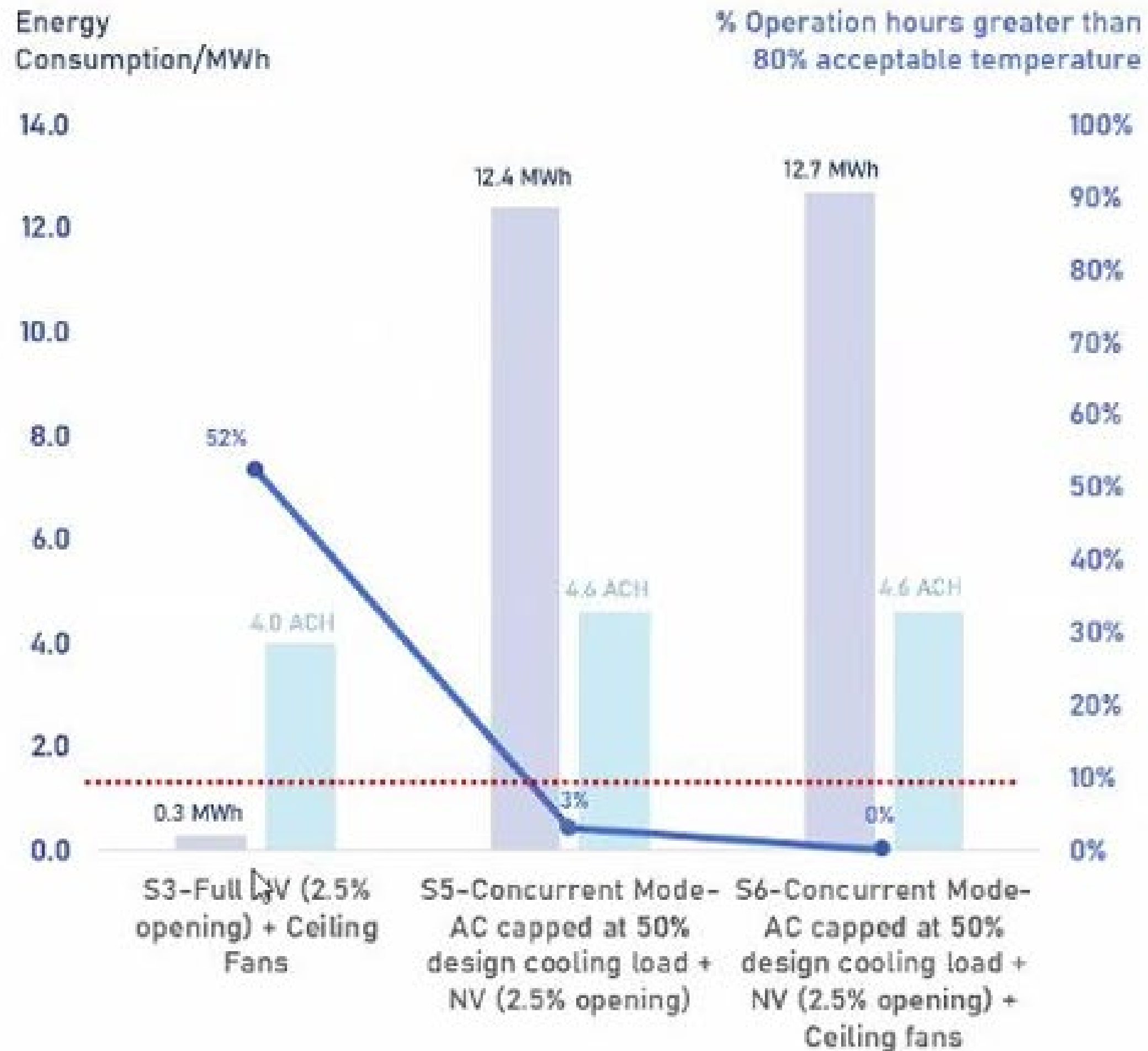
Full AC with 100% more fresh air supply (Epidemic-Control)

Scenario 4 highlights the challenge of attaining higher outdoor air rates solely with the existing ACMV system.

The achieved ACH only increases to 1 ACH, **falling short of meeting the minimum ventilation rate for epidemic mode** operation.

Furthermore, this has a significant impact on energy consumption to achieve the same thermal comfort.

Mixed Mode



SCENARIO 5

Part Load AC capped at 50% design cooling load + NV (2.5% opening)

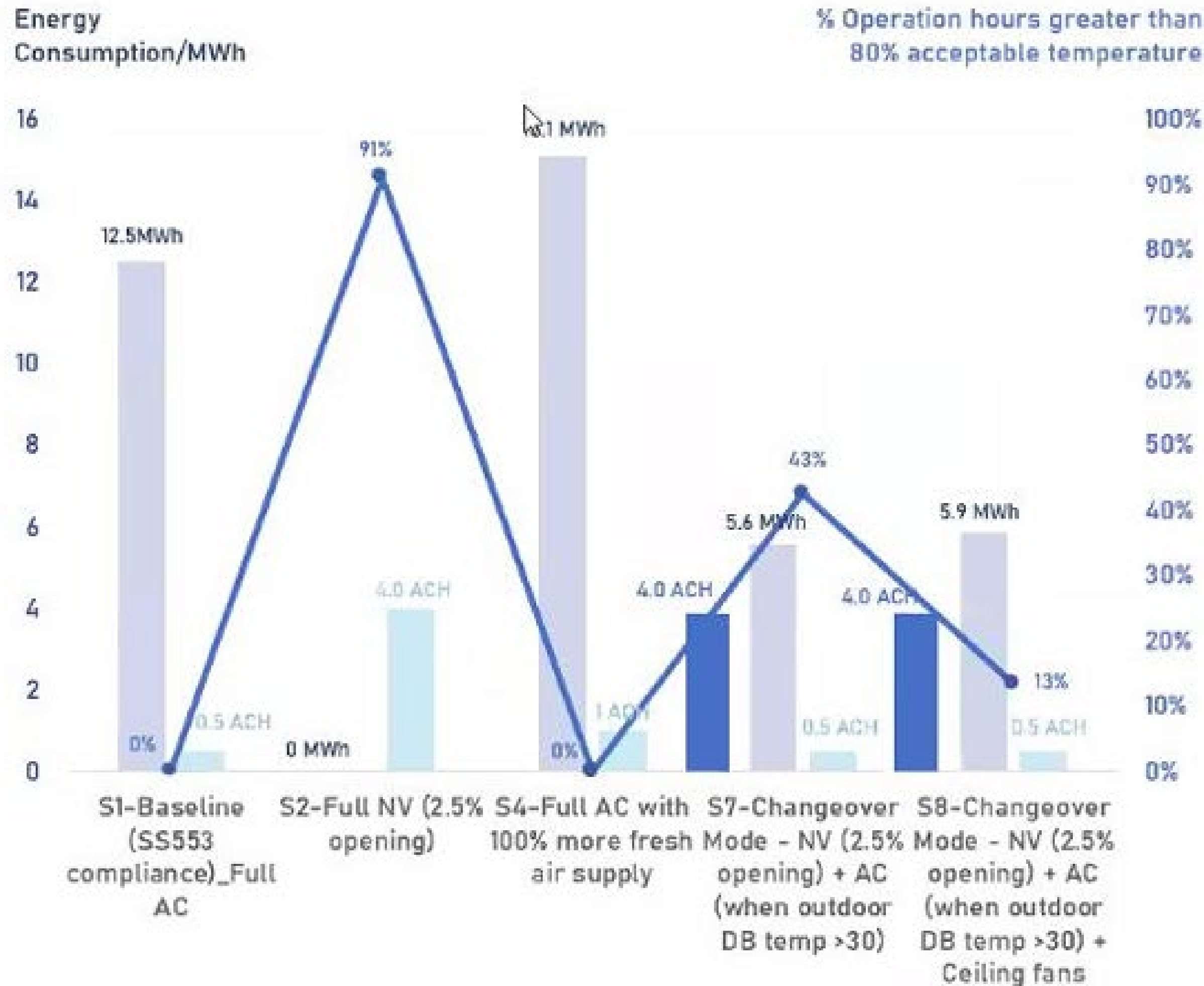
SCENARIO 6

Part Load AC capped at 50% design cooling load + NV (2.5% opening) + Ceiling fans

Operating in concurrent mode with a cooling capacity cap of 50% presents an option to **increase the ventilation rates without significantly impacting thermal comfort and energy efficiency.**

In scenarios 5 and 6, the supply of outdoor air required for epidemic mode operation is maintained while utilizing nearly the same energy as in the full AC baseline scenario.

Mixed Mode



SCENARIO 7

NV (2.5% opening) +
AC (when outdoor
DB temp >30)

SCENARIO 8

NV (2.5% opening) +
AC (when outdoor
DB temp >30) +
Ceiling fans

Changeover mode operation offers the chance to improve outdoor air provision while **cutting energy consumption by 56%** compared to full AC operation.

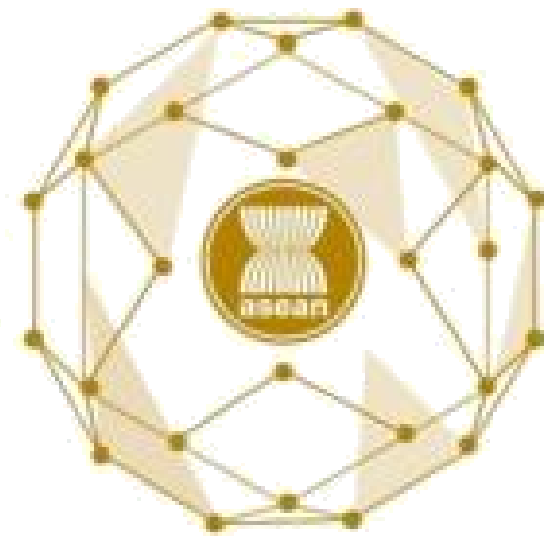
In these scenarios, outdoor air change rates exceed epidemic mode requirements **only** when the windows are open, however the **thermal comfort is negatively impacted**.

Nevertheless, the inclusion of fans can reduce the percentage of hours exceeding acceptability limits for adaptive thermal comfort from 43% (Scenario 7) to 13% (Scenario 8).

Case Study



OTTV & BEI



ASEAN ENERGY
AWARDS

OTTV

DA – 47 Wm²

CVA – 47 Wm²

BEI

DA – 58.2 kWh/m²/yr

CVA – 27.41 kWh/m²/yr

(82% lower than national benchmark)



Passive Design

OTTV

Window-to-Wall (WWR) – 21%

Light Grey Tinted Glass

3m Roof Overhang (SC2)

3m width perimeter Corridor (SC2)

Shading Device – Sunscreen/Vertical Green (SC2)

Self-shade Façade (Advanced OTTV)

Daylight

Courtyards

Daylight (1.0% to 3.5% DF) – 54.79% of NLA
– 84.29% of GFA

Visible Light Transmission (VLT) – 89%

Ventilation

Courtyards

4-6m Floor-to-Floor Height

9m Slim Building with 2 Sides Opening



Passive Design

OTTV

Window-to-Wall (WWR) – 21%

Light Grey Tinted Glass

3m Roof Overhang (SC2)

3m width perimeter Corridor (SC2)

Shading Device – Sunscreen/Vertical Green (SC2)

Self-shade Façade (Advanced OTTV)

Daylight

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Daylight (1.0% to 3.5% DF) – 54.79% of NLA
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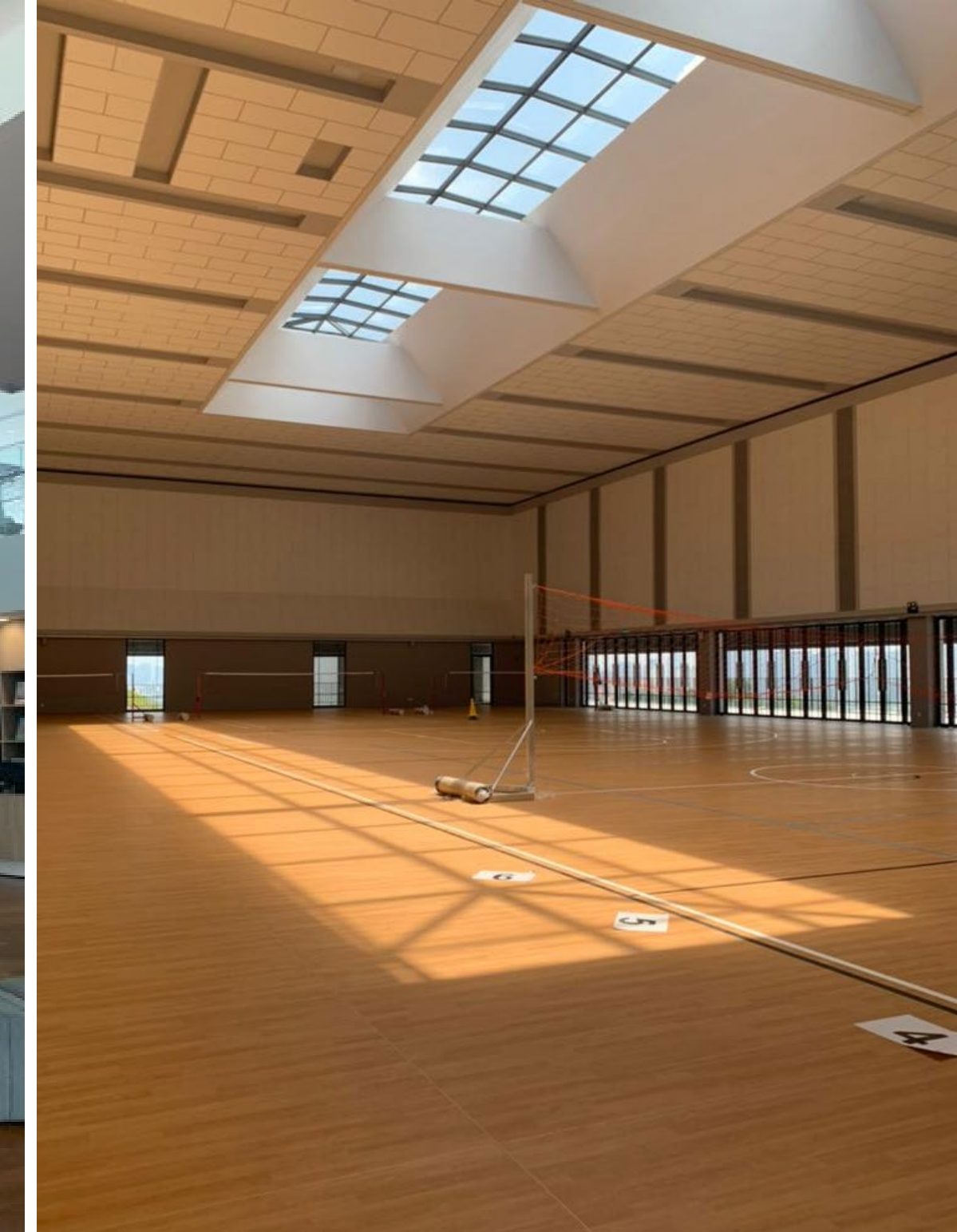
Visible Light Transmission (VLT) – 89%

Ventilation

Courtyards

4-6m Floor-to-Floor Height

9m Slim Building with 2 Sides Opening



Passive Design

OTTV

Window-to-Wall (WWR) – 21%

Light Grey Tinted Glass

3m Roof Overhang (SC2)

3m width perimeter Corridor (SC2)

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– 84.29% of GFA

Visible Light Transmission (VLT) – 89%

Ventilation

Courtyards

4-6m Floor-to-Floor Height

9m Slim Building with 2 Sides Opening



Mixed-Mode

Mixed Mode Ventilation

- NV 77% of NLA
- $< 26^{\circ}\text{C}$ temperature in the classroom - **Ceiling Fan**
- $> 26^{\circ}\text{C}$ temperature in the classroom - **A/C**



Mixed-Mode

A/C System Efficiency

- High EE (Hi-COP) VRV = 0.71 kW/ ton (COP = 3.68)
- Cooling Load – 66.06 W/m²
- Refrigerant – R410A

Mechanical Ventilation (MV) System

- High Velocity Low Speed (HVLS) Fan at Canteen





BCX

Bursa Carbon Exchange

We hope that it can contribute to Malaysia's ambition to achieve our target of net zero emissions by 2050, and assist Corporate Malaysia's pivot towards a green economy and meet global standards for a sustainable supply chain.

**Nik Nazmi Nik Ahmad, Malaysia's Minister of Natural Resources, Environment and Climate Change
@ launched of Bursa Carbon Exchange (BCX),
9 Dec 2022**



BCX Introduction



Bursa Carbon Exchange (BCX) is the world's first Shariah-compliant multi-environmental product exchange that facilitates the **trading of carbon credits and renewable energy certificates (RECs)** via standardised contracts, from projects registered with Verra.

Note: A standardized contract refers to a pre-defined contract for trading carbon credits, where all the key parameters like project type, emission reduction methodology, and quality standards are set, ensuring consistency and transparency for buyers and sellers in the carbon market; essentially, it means all carbon credits traded on BCX meet specific criteria, making it easier to compare and assess their value.

Note: Verra is a widely recognised standard in the voluntary carbon market, and accounts for nearly 70% of voluntary carbon credit issuances globally.

BCX Carbon Mechanism

Voluntary Carbon Markets (VCM)

Companies purchase and “retire”, voluntarily, carbon offsets/credits, to fulfil either voluntary emissions reduction targets or to create “Carbon neutral” products for their customers.

Emissions Trading System (ETS)

The regulator sets a fixed limit for the amount of CO₂ to be emitted, sometimes called 'cap'. They then issue the respective amount of emission allowances (or permits) to firms either directly or through auctions. One allowance typically grants the right to emit one ton of CO₂

Carbon Tax

The regulator sets a fixed limit for the amount of CO₂ to be emitted and then taxes every ton of CO₂ emitted in excess of the defined limit at fixed rates. Depending on design, carbon credits may be acceptable, to a limit, to offset an organization's exposure to tax

BCX Carbon Mechanism

The BCX enables companies and other entities to trade **voluntary** carbon credits from projects that remove, reduce or avoid greenhouse gas (GHG) emissions, via **The Voluntary Carbon Market Exchange (VCM)**

The state of Sarawak passed the **Environment (Reduce of Greenhouse Gases Emission) Ordinance** in 22 Dec 23 that includes provisions to introduce **mandatory emissions thresholds for certain industrial emitters**.

The government has announced plans to implement a **carbon tax for the iron, steel, and energy industry by 2026**.

BXC Implementation



The Voluntary Carbon Market Exchange (VCM) is a joint initiative between **the Minister of Natural Resources and Environmental Sustainability (NRES)** and **Ministry of Finance (MOF)**.

Bursa is tasked with operating the VCM.

Corporate buyers will be able to purchase carbon credits from the BCX to offset their emissions, demonstrating progress in their voluntary climate commitments while creating carbon-neutral products.

BXC Application



Technology-based



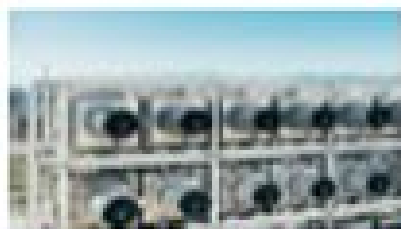
Renewable Energy

Biomass, geothermal, hydro (e.g., run of river hydro-electricity), solar, wind



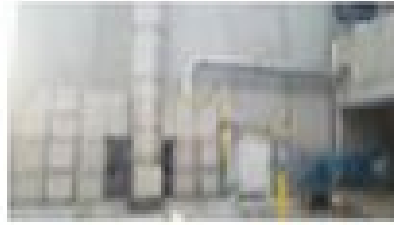
Industrial Gases

N₂O from nitric acid and adipic acid plants, ozone-depleting substances (HFCs)



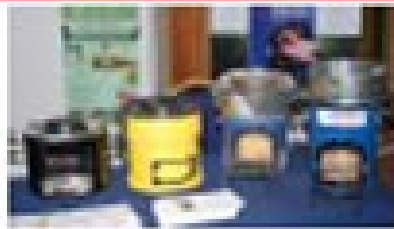
Tech-based Removals

Direct Air Carbon Capture and Storage, Bio Energy Carbon Capture and Storage



Energy efficiency

Waste heat recovery, process efficiencies, insulation/weatherization of buildings



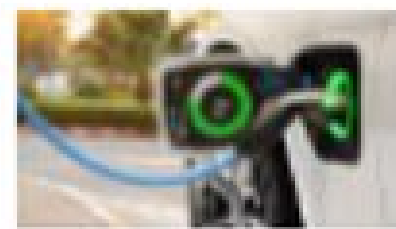
Household Devices

Clean cookstoves, water purification devices



Waste Disposal

Waste management, landfill gas (e.g., landfill methane), wastewater, biogas



Transport

Electrification, lower fuel use (e.g., biofuels)

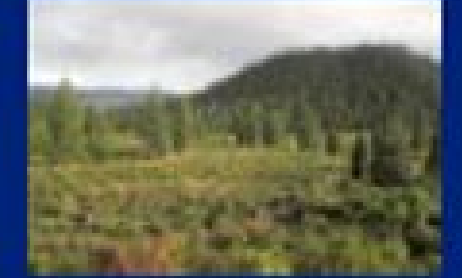


Nature-based



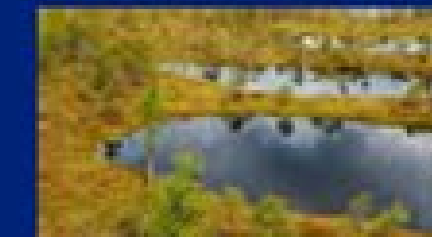
Agriculture / Soil Carbon

Rice methane, improved fertilizer management, no- and low-till agriculture, cover crops



Forestry

Afforestation, reforestation, improved forest management (IFM), conservation (REDD+)



Other Land Use

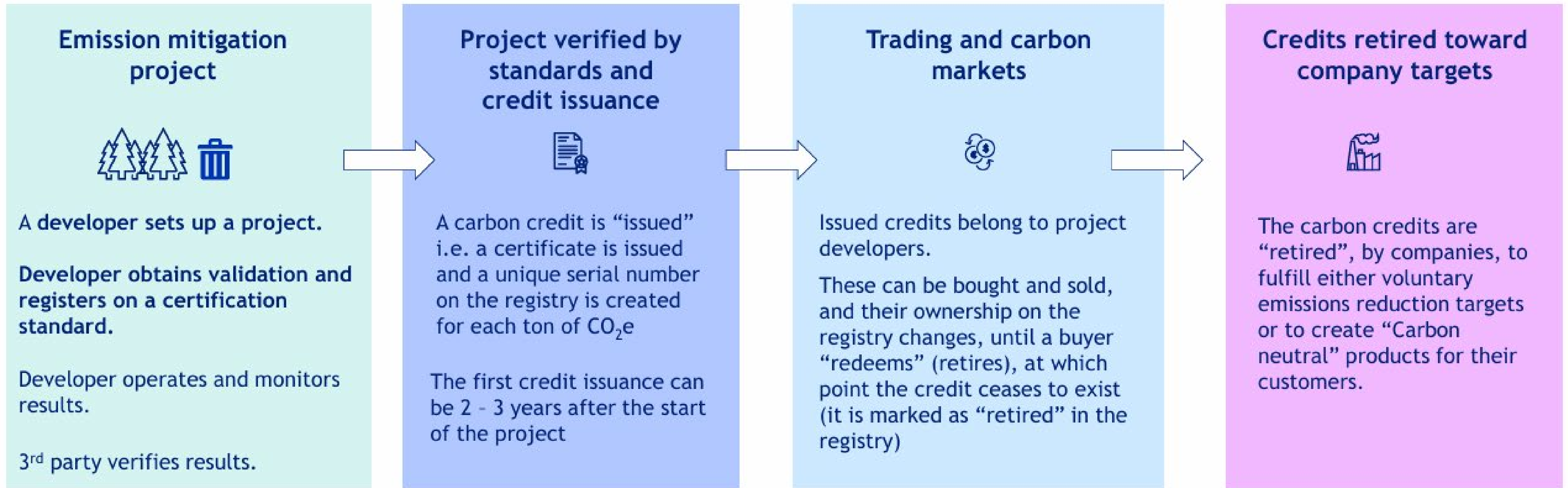
Grassland management, restoring or avoiding conversion of peatlands



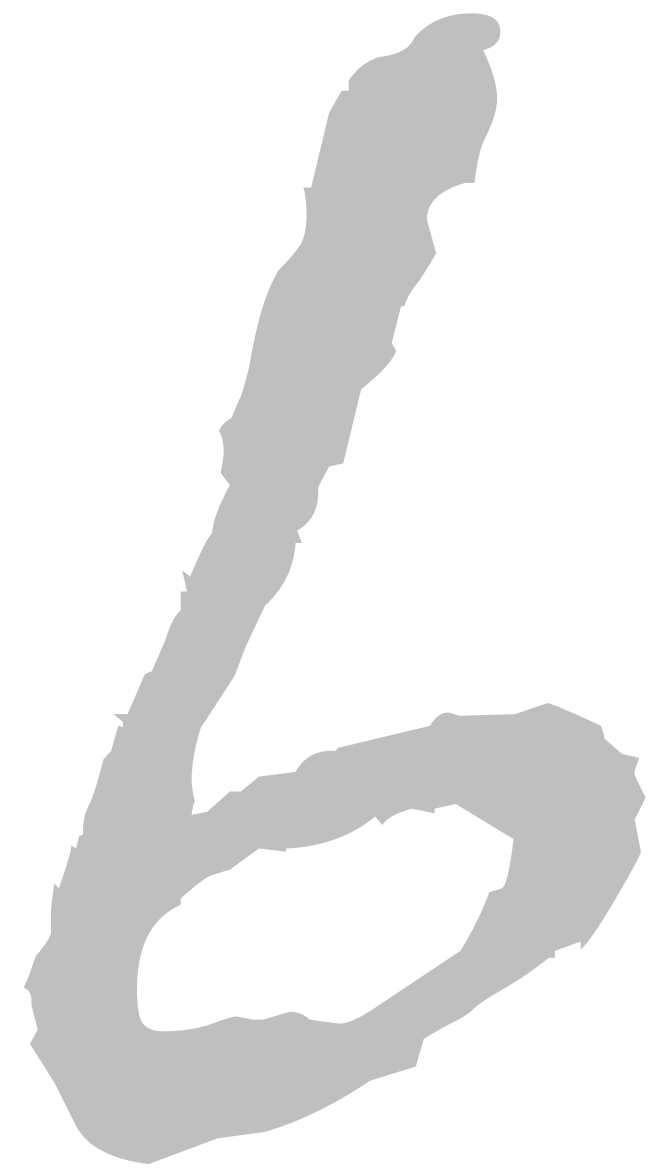
Blue Carbon

Restoration or avoiding conversion of mangroves, wetlands, seagrass

BXC Application



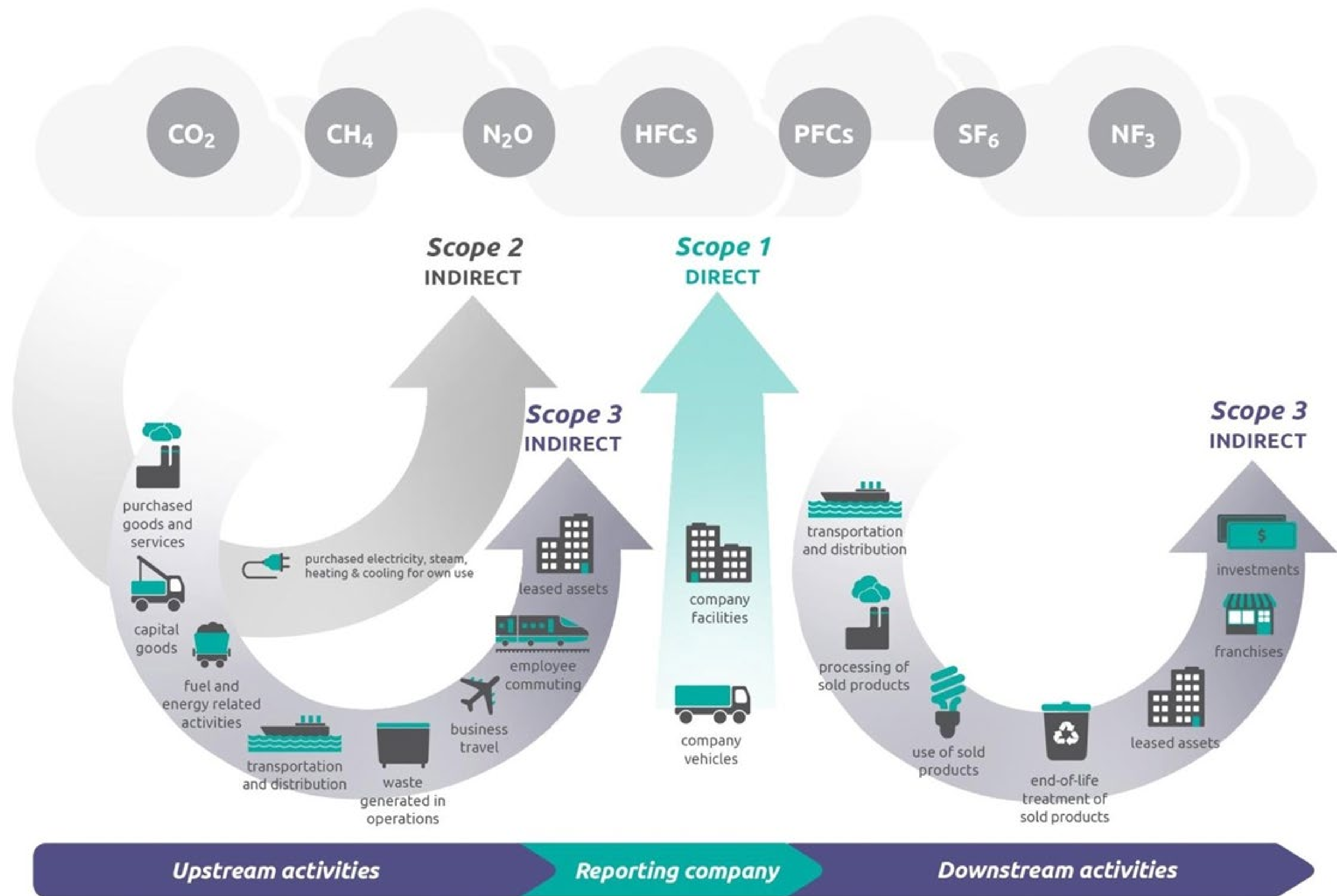
Today, companies tend to buy a credit, and retire it shortly after, to use in meeting their emissions targets. However, transactions when a company buys credits for future use, or intermediaries buy credits to sell onwards / to benefit from price appreciation can also occur



Embodied Carbon

Upfront Carbon

GHG Emission



Life Cycle Carbon Emission (LCCE)

Building & Construction sector is responsible for **39% of global carbon emissions**:

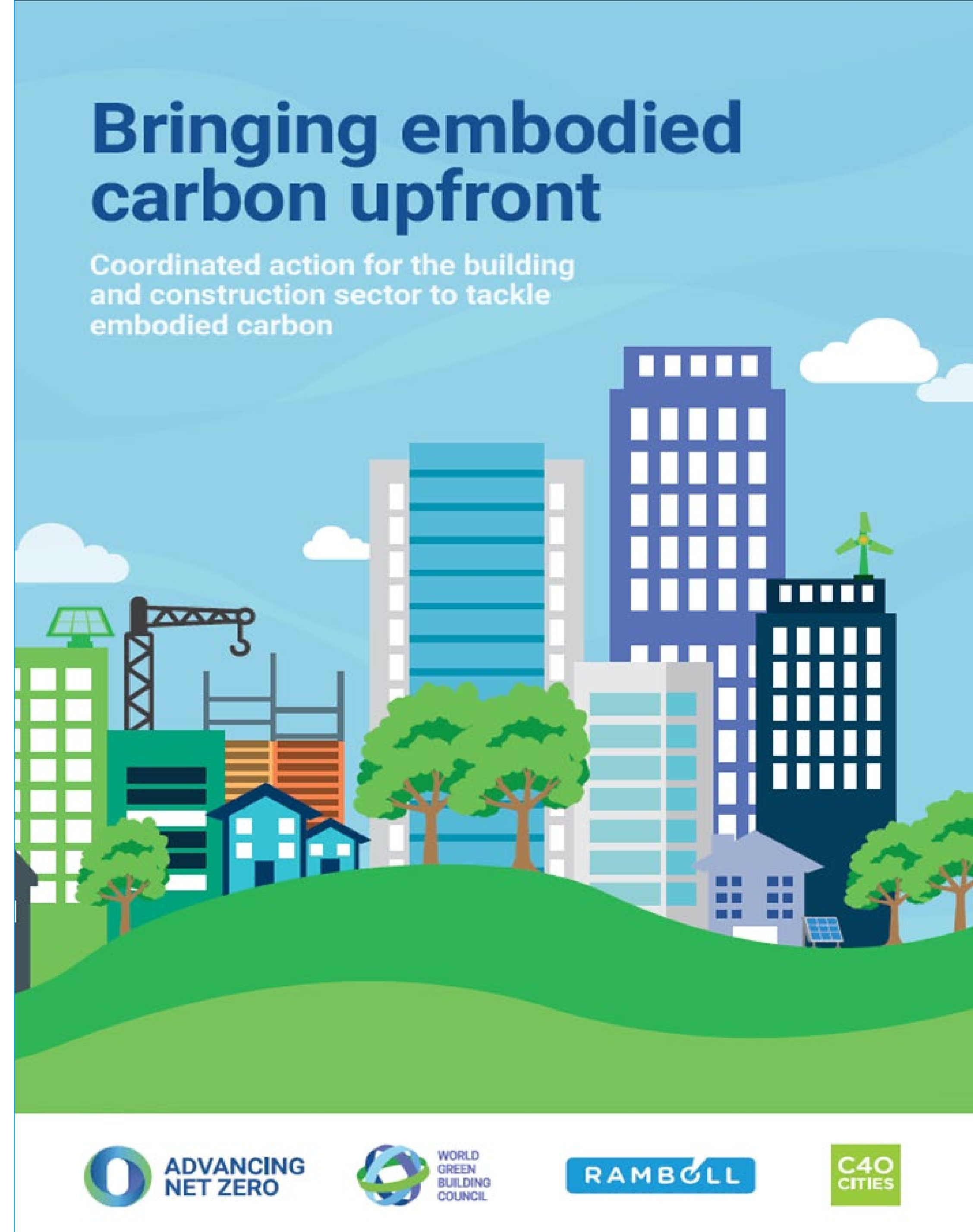
28% comes from **Operational Carbon (OC)**

11% comes from **Embodied Carbon (EC)**

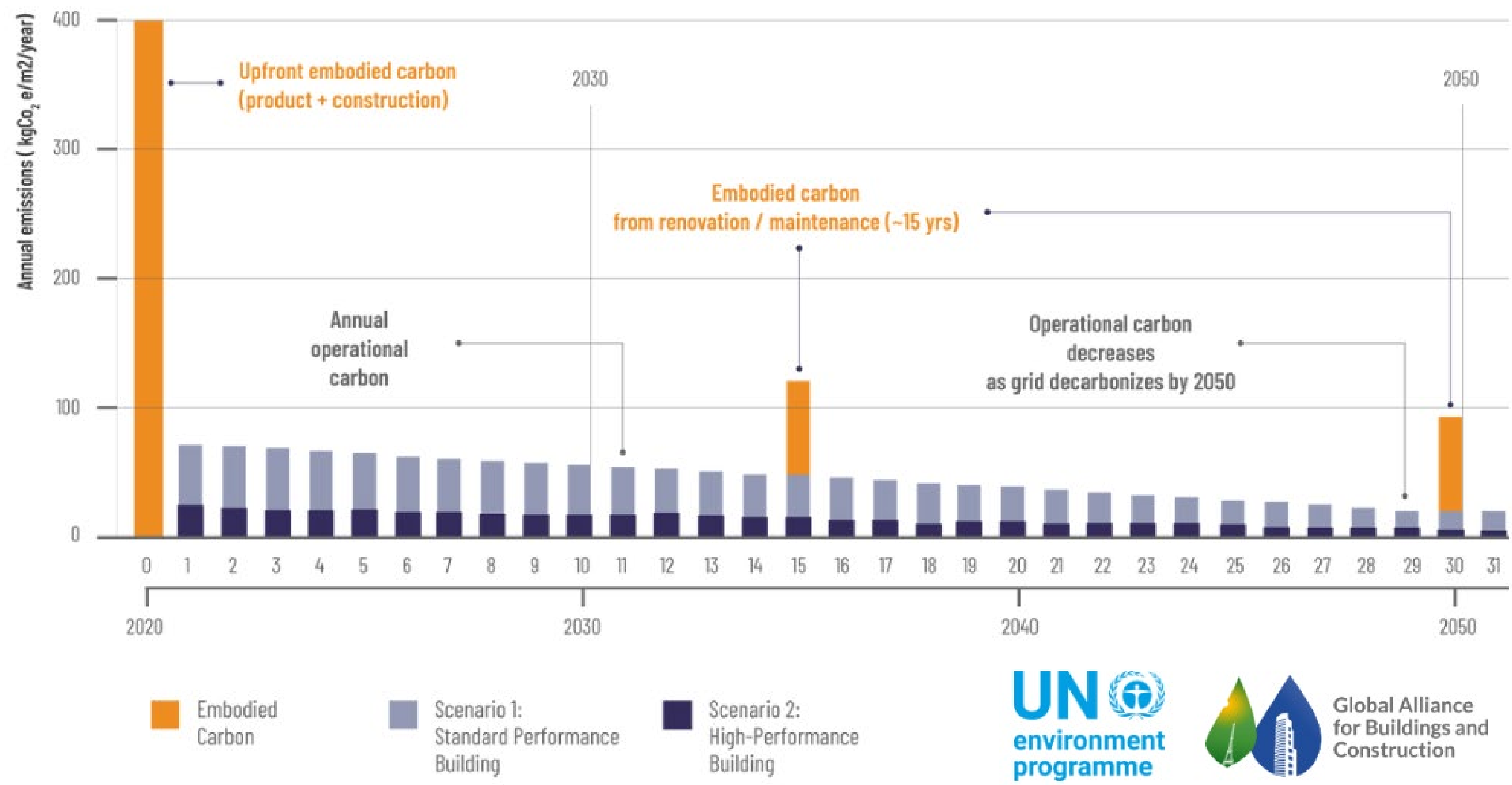
In 2018, WorldGBC has launched the Net Zero Carbon Buildings, targeting to reduce Total Carbon for all new buildings, infrastructure and renovation by

2030: 40% less Embodied Carbon (EC) with significant upfront carbon & **Net Zero Operation Carbon**

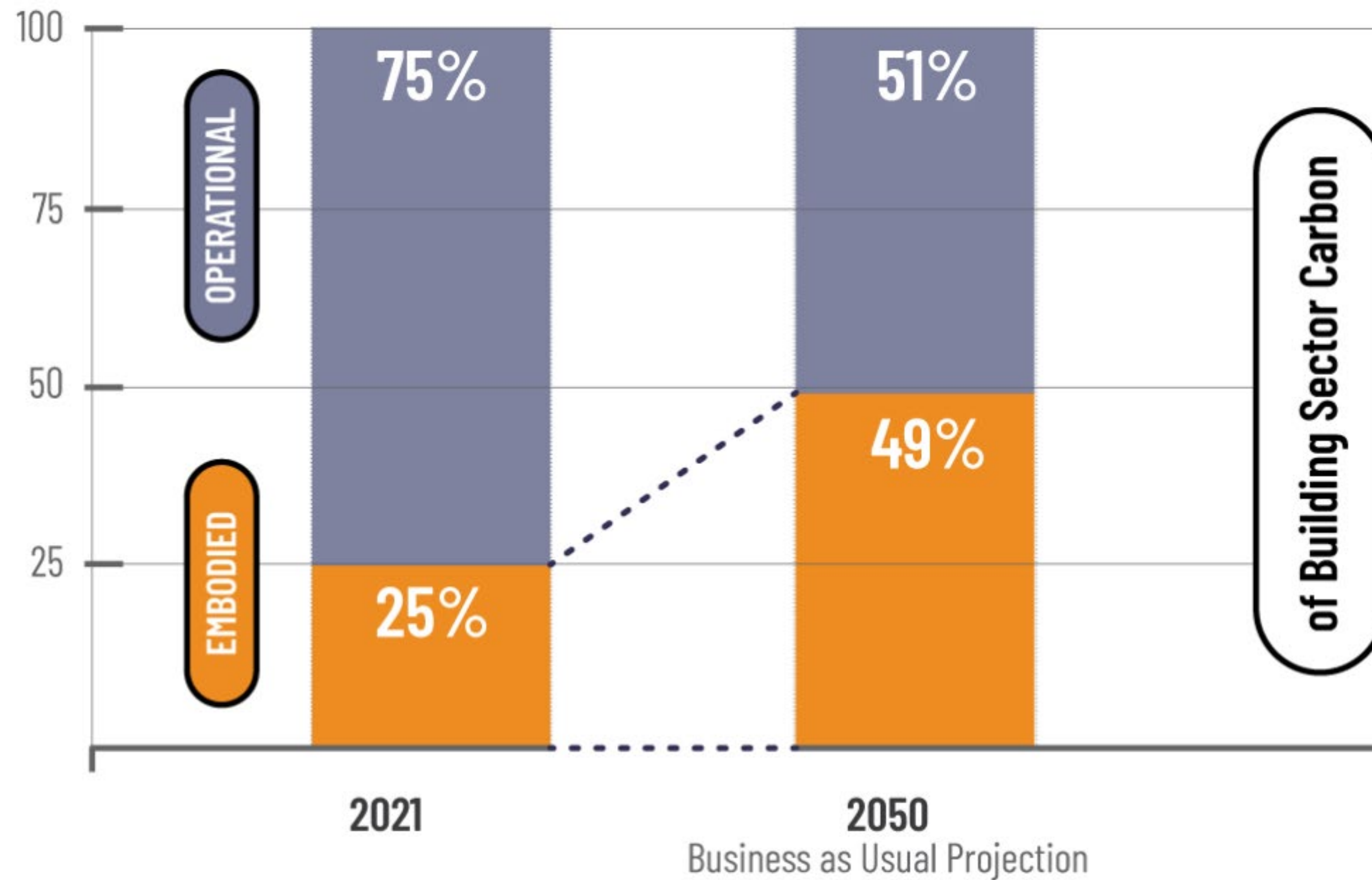
2050: Net Zero Embodied Carbon (EC) & Net Zero Operation Carbon (including existing building)



Lift Cycle Carbon Emission (LCCE)



Life Cycle Carbon Emission (LCCE)



LCCE Embodied Carbon

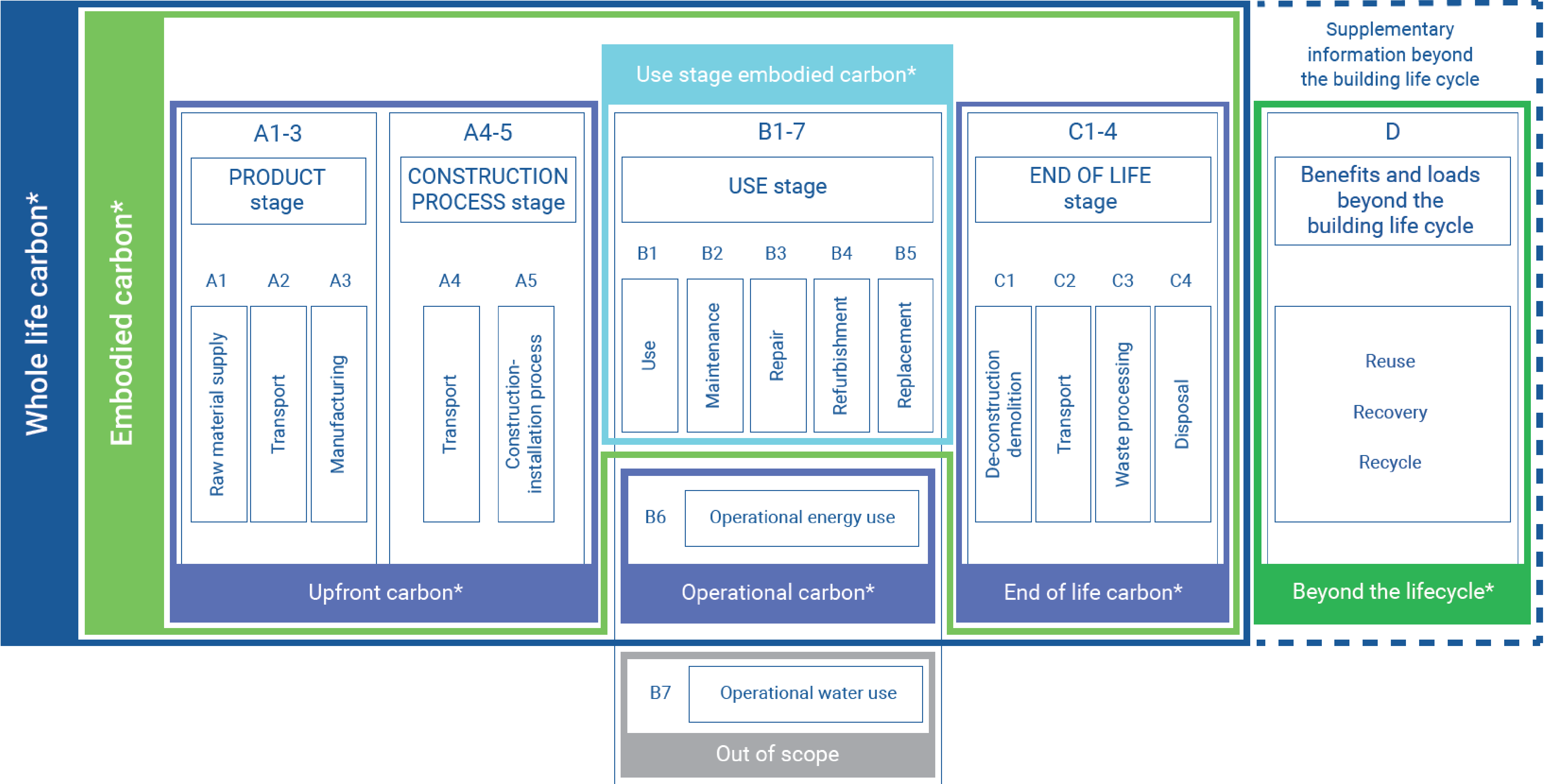
Embodied Carbon (EC) is the carbon emissions associated with **materials & construction processes throughout the whole lifecycle** of a building or infrastructure.

EC includes:

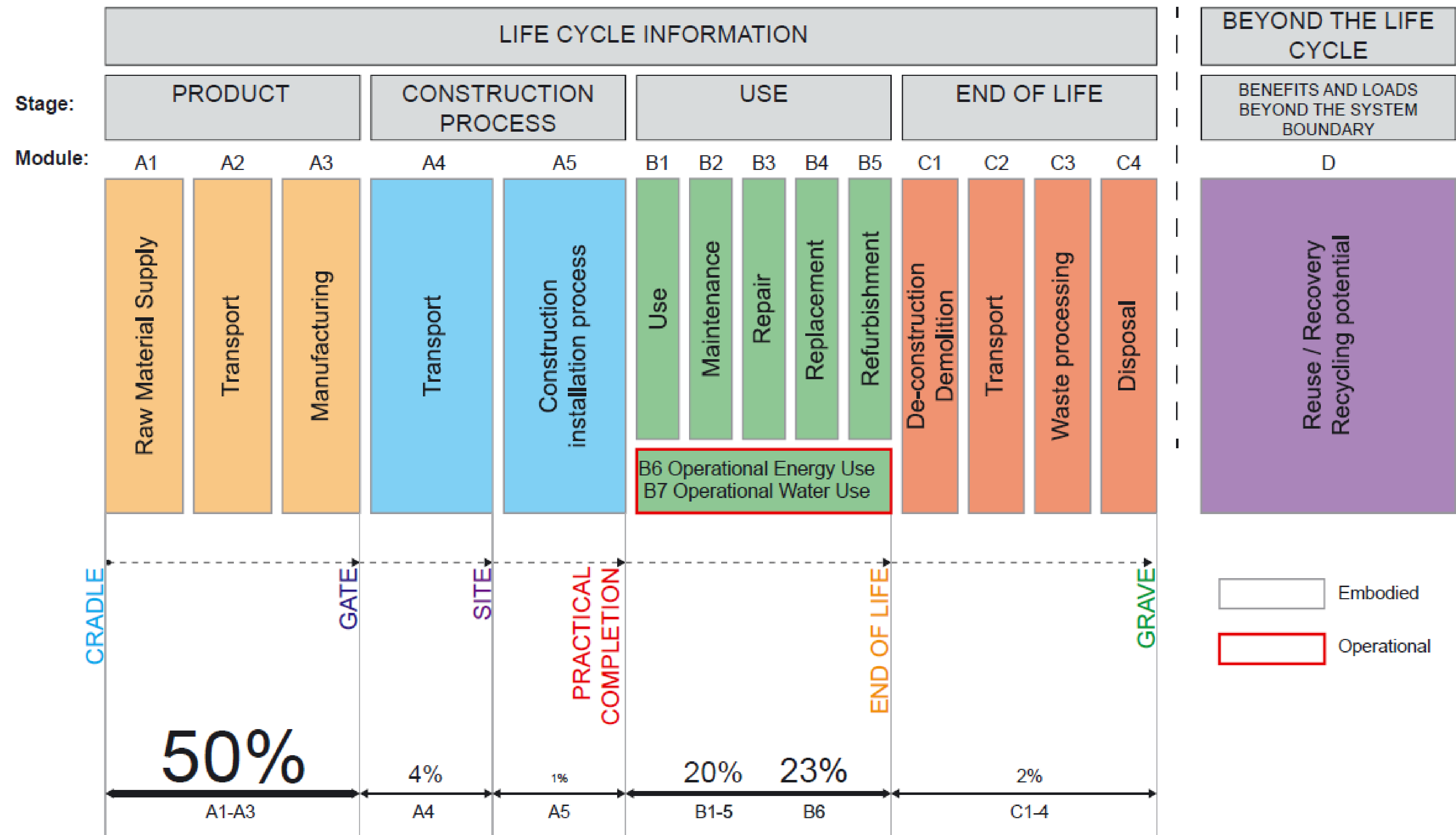
- 1. Upfront Carbon** (A1-A5)
- 2. Use Stage** (B1-B7)
- 3. End of Life Stage** (C1-C4)
- 4. Benefits & Loads beyond the building life cycle** (D)

Operational Carbon (OC) is the emissions associated with Energy Used (B6) to operate the building or in the operation of infrastructure.

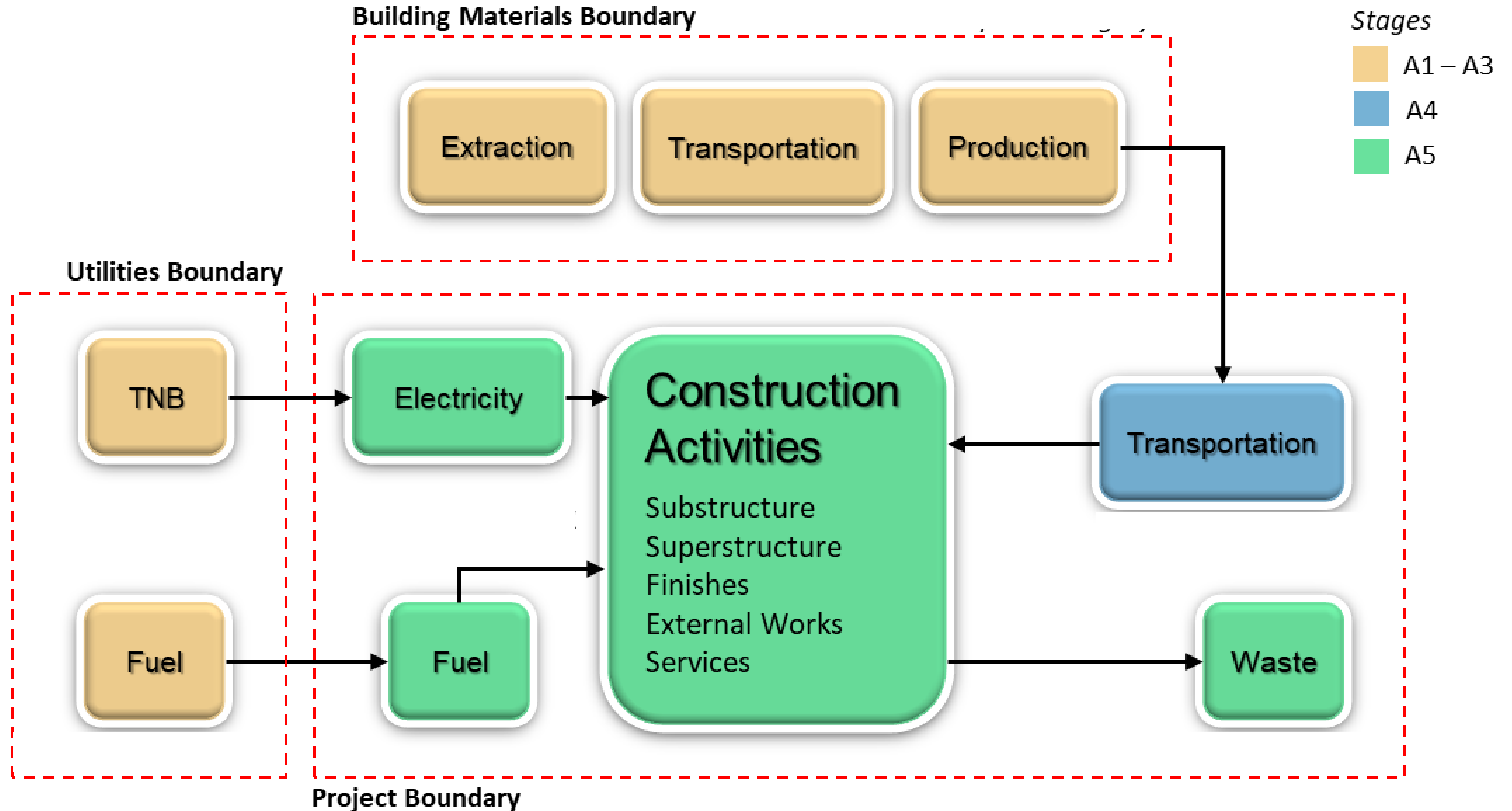
LCCE Embodied Carbon



LCCE Upfront Carbon



LCCE Upfront Carbon



Embodied Carbon (EC)

A Reference Guide for

MyCREST

Malaysian Carbon Reduction and
Environmental Sustainability Tool

INTRODUCTION



CIDB
MALAYSIA



EMBODIED CARBON FOR CONSTRUCTION MATERIALS

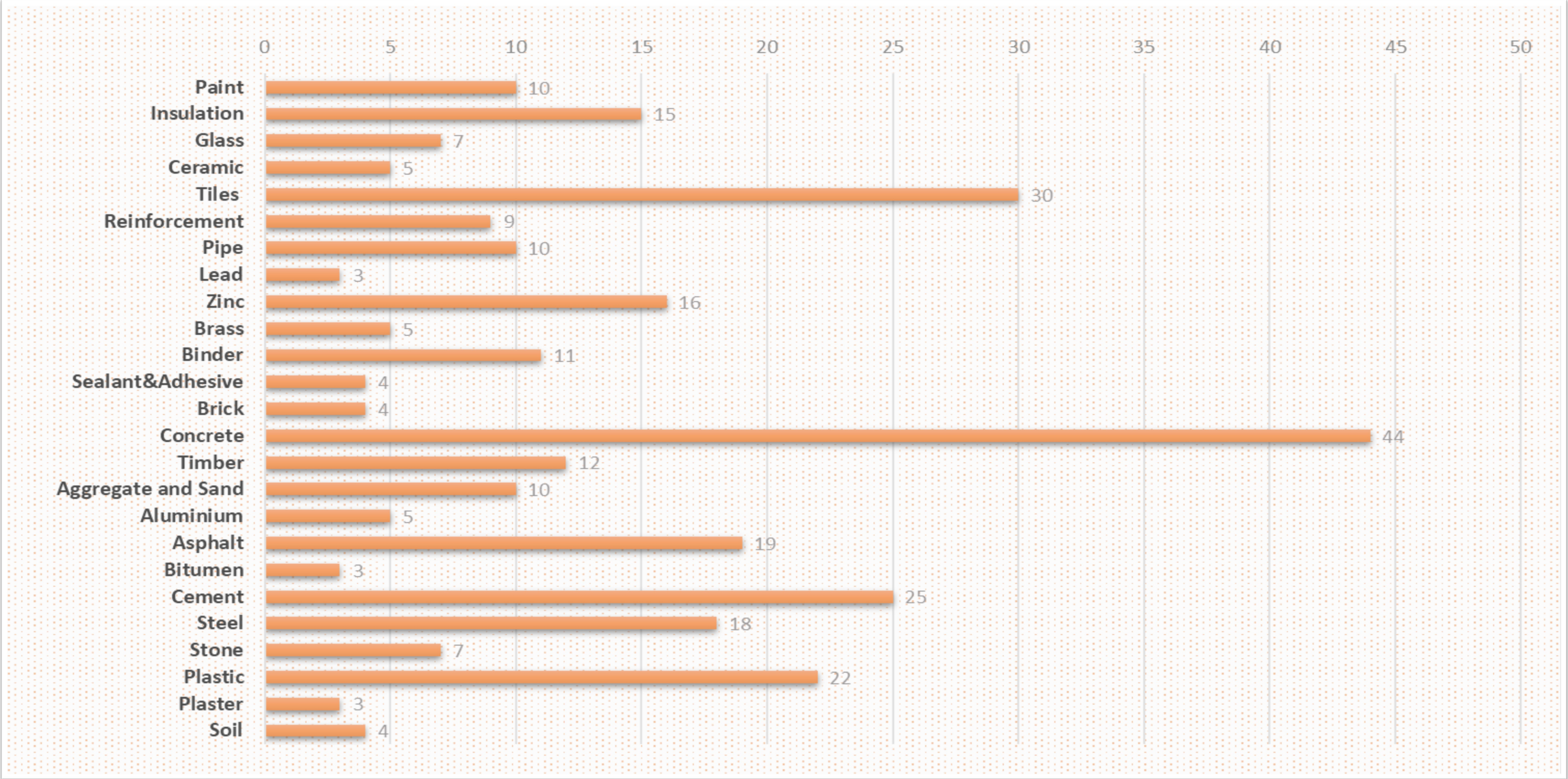
FINAL REPORT

Prepared for:



OCTOBER 2021

Embodied Carbon (EC)



Embodied Carbon (EC)

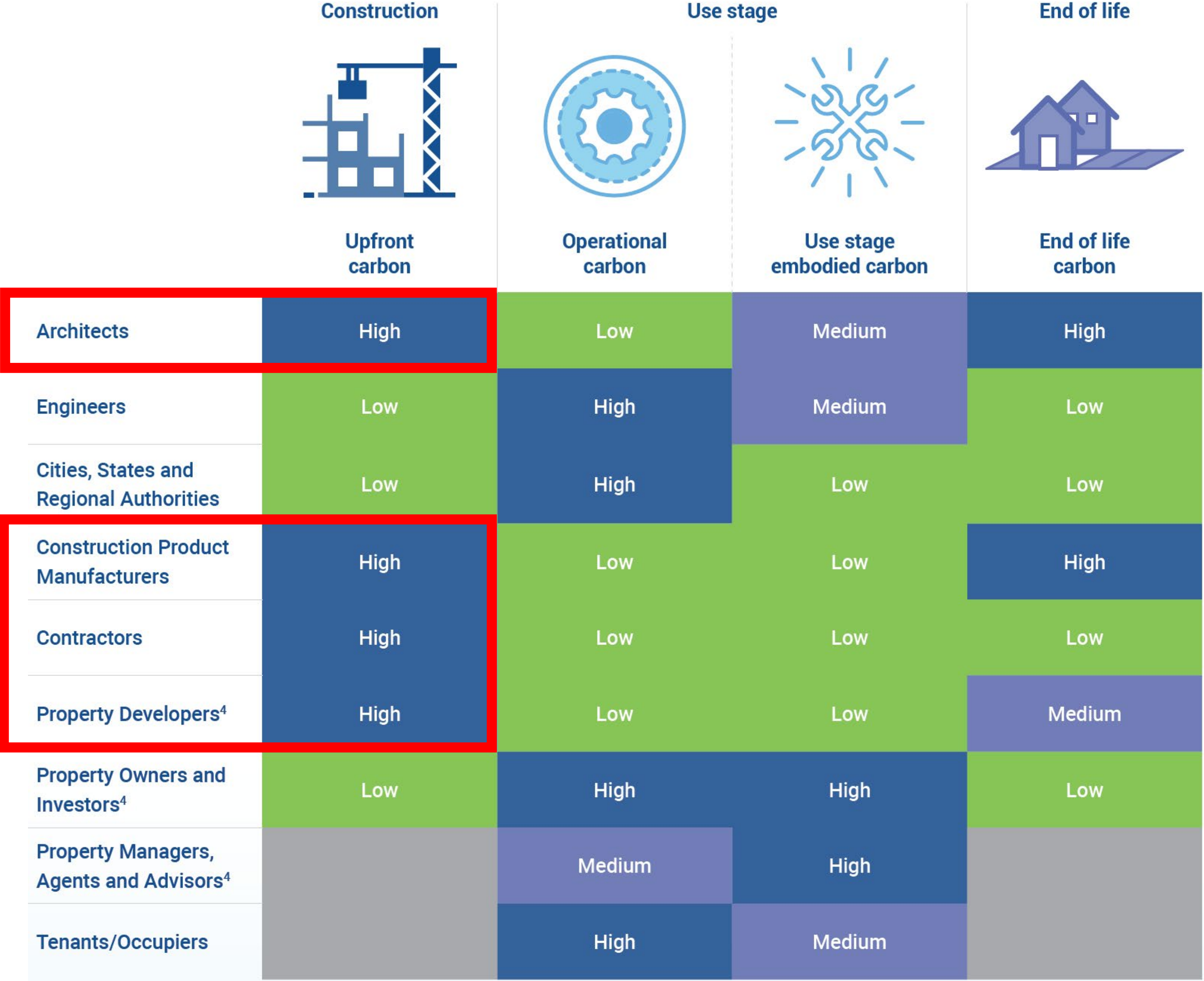


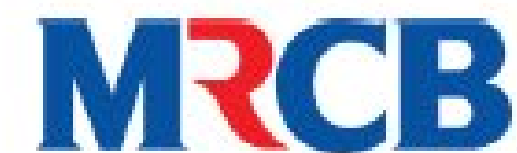
Figure 5 - Influence of stakeholders across the building lifecycle (new construction and renovation)

Case Study

IJM Construction Sdn Bhd



Selected Clients (Embodied Carbon)



EC GHG Emission

IJM Annual Report 2023



Our FY2023 Carbon Emissions Profile



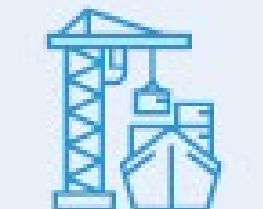
Construction
147,507.3 tCO₂e
15.8%



Property
149,687.6 tCO₂e
16.1%



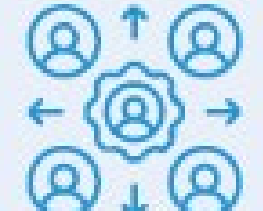
Industry
590,186.7 tCO₂e
63.4%



Port
17,009.9 tCO₂e
1.8%



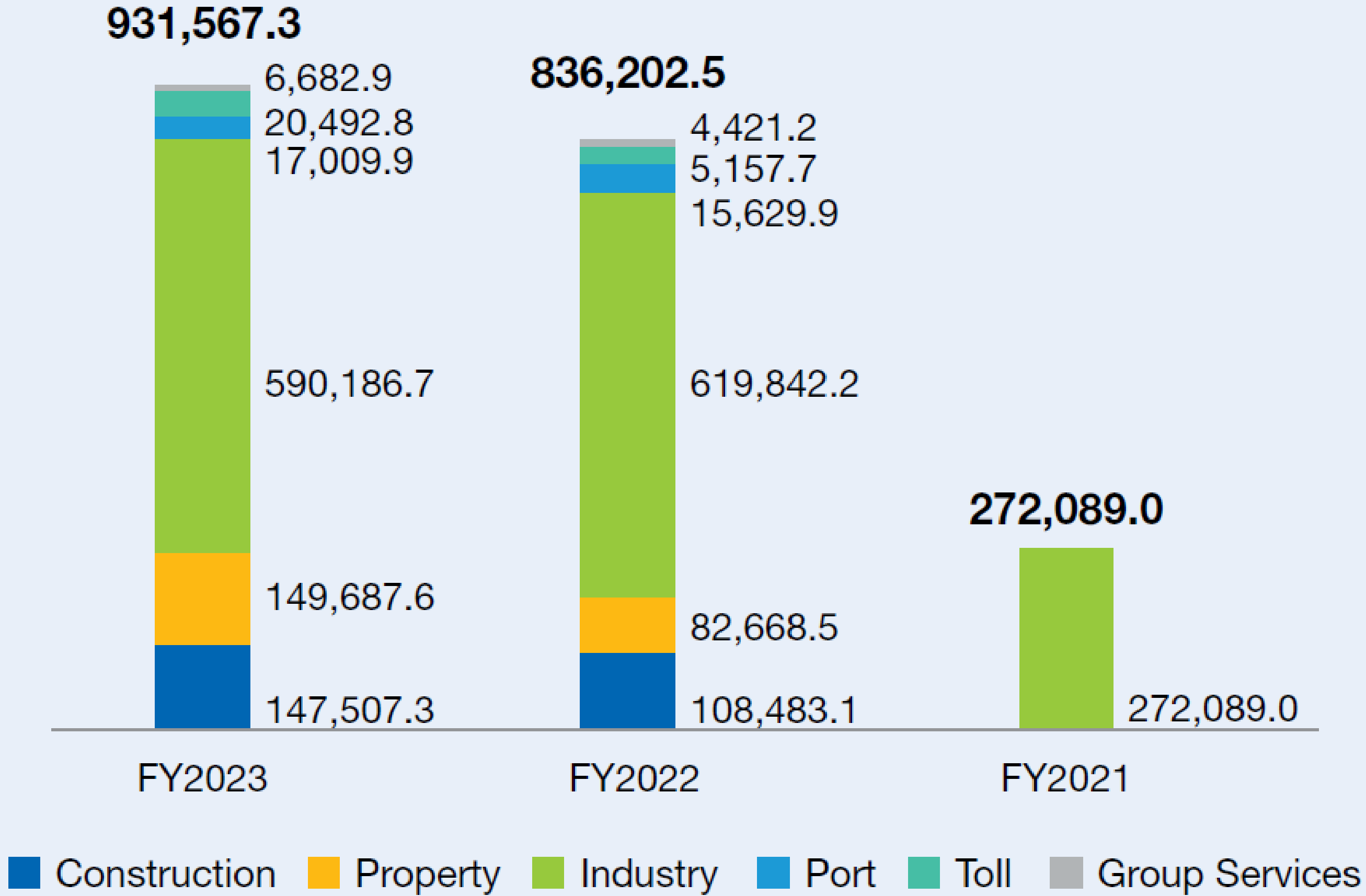
Toll
20,492.8 tCO₂e
2.2%



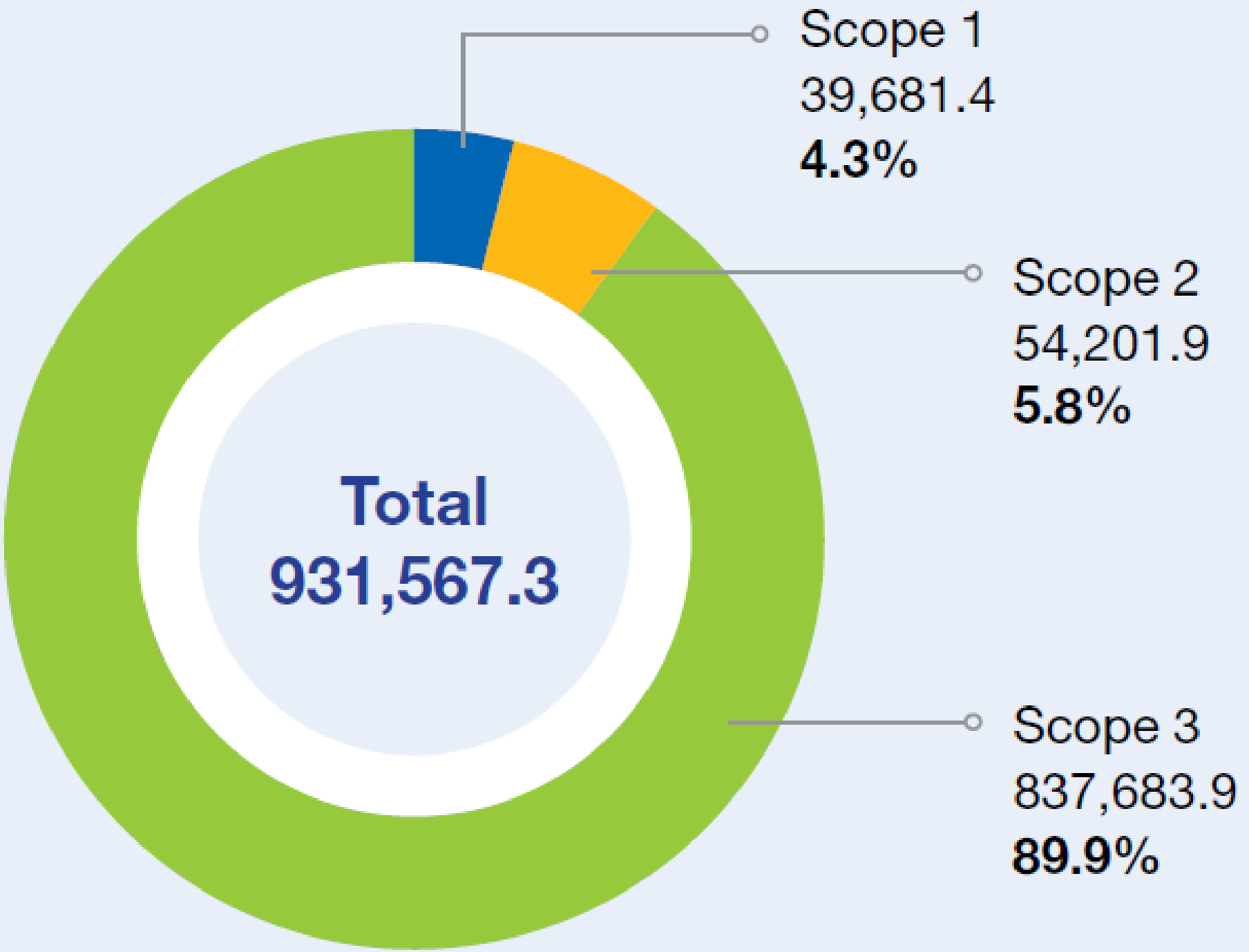
Group Services
6,682.9 tCO₂e
0.7%

EC GHG Emission

Total GHG Emissions by Division (tCO₂e)



Total GHG Emissions by Scope in FY2023 (tCO₂e)



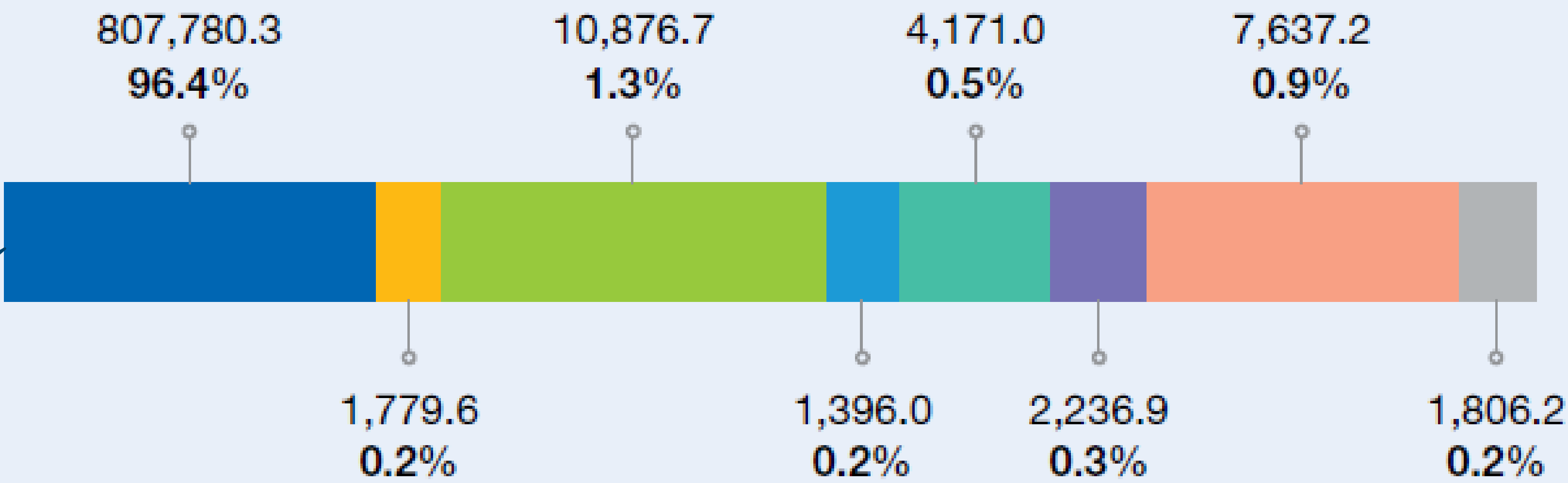
Notes:

- FY2023 represents our baseline emissions, which has undergone independent verification by BSI Malaysia in accordance with ISO 14064-1:2018
- Intra-Group emissions between the Construction, Property and Industry Divisions have been eliminated to avoid double counting

EC GHG Emission

Scope 3 Emissions in FY2023 (tCO₂e)

Total: 837,683.9



Upfront Embodied Carbon of projects are reported in Scope 3, Cat. 1, 4 & 5

- Cat 1: Purchased goods and services
- Cat 4: Upstream transportation and distribution
- Cat 5: Waste generated in operations
- Cat 6: Business travel
- Cat 7: Employee commuting
- Cat 11: Use of sold products
- Cat 13: Downstream leased assets
- Cat 15: Investments

EC GHG Emission

Scope 1: Direct Emissions



- Mobile combustion by On-Road Vehicles
- Stationary combustion by Gensets, Cranes, pumps etc

Scope 2: Indirect Emissions



- Purchased Electricity

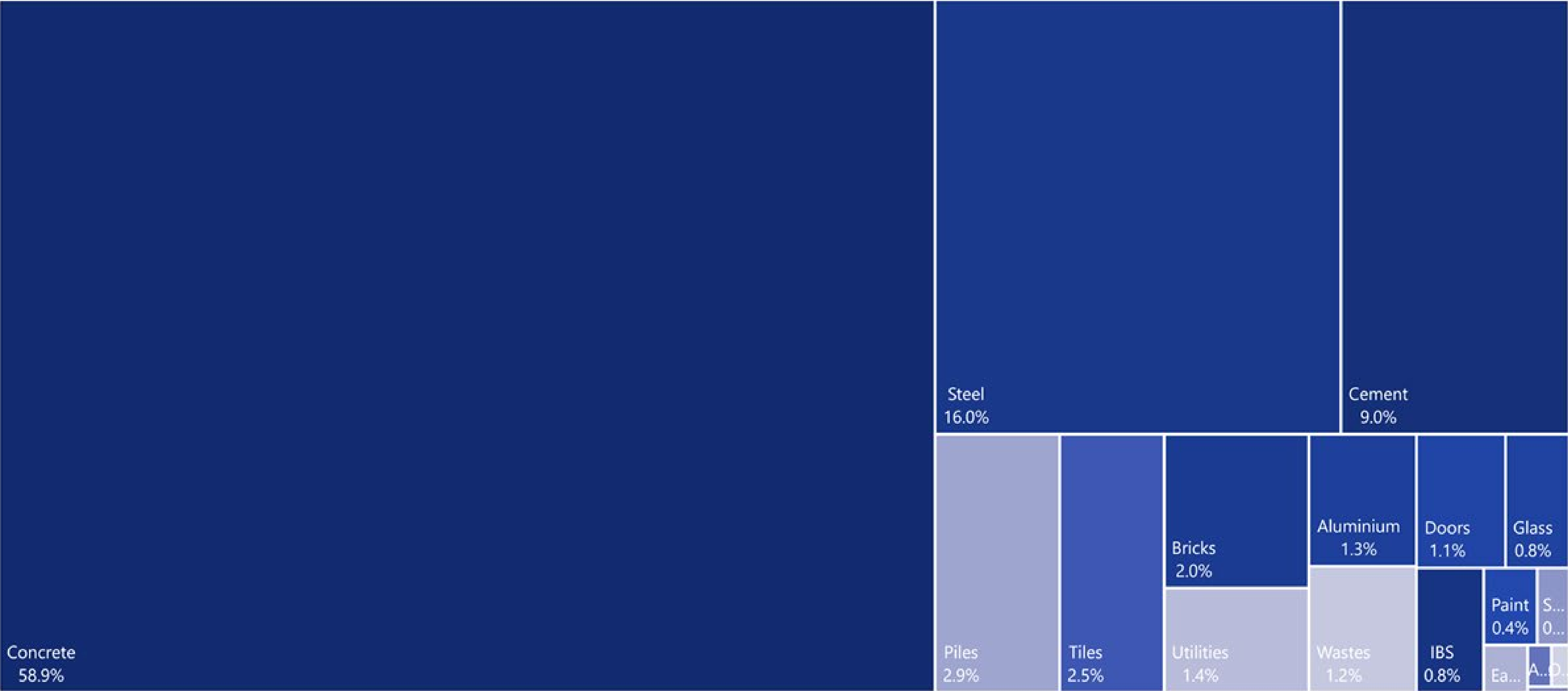
Scope 3: Other Indirect Emissions



- **Purchased Goods & Services**
- Capital Goods
- Upstream Transportation & Distribution
- Waste Generation
- Business Travel
- Employee Commuting

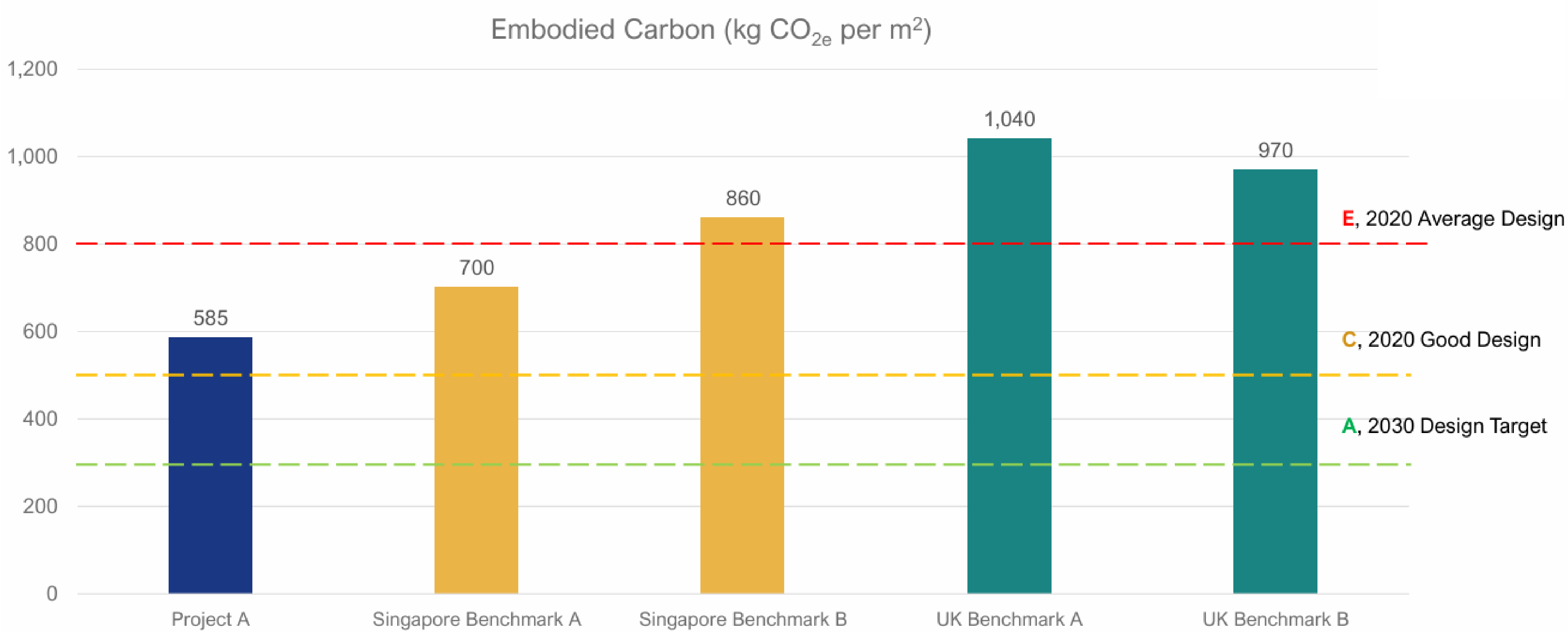
EC Upfront Carbon

High-rise Residential



EC Upfront Carbon

High-rise Residential – Upfront Embodied Carbon

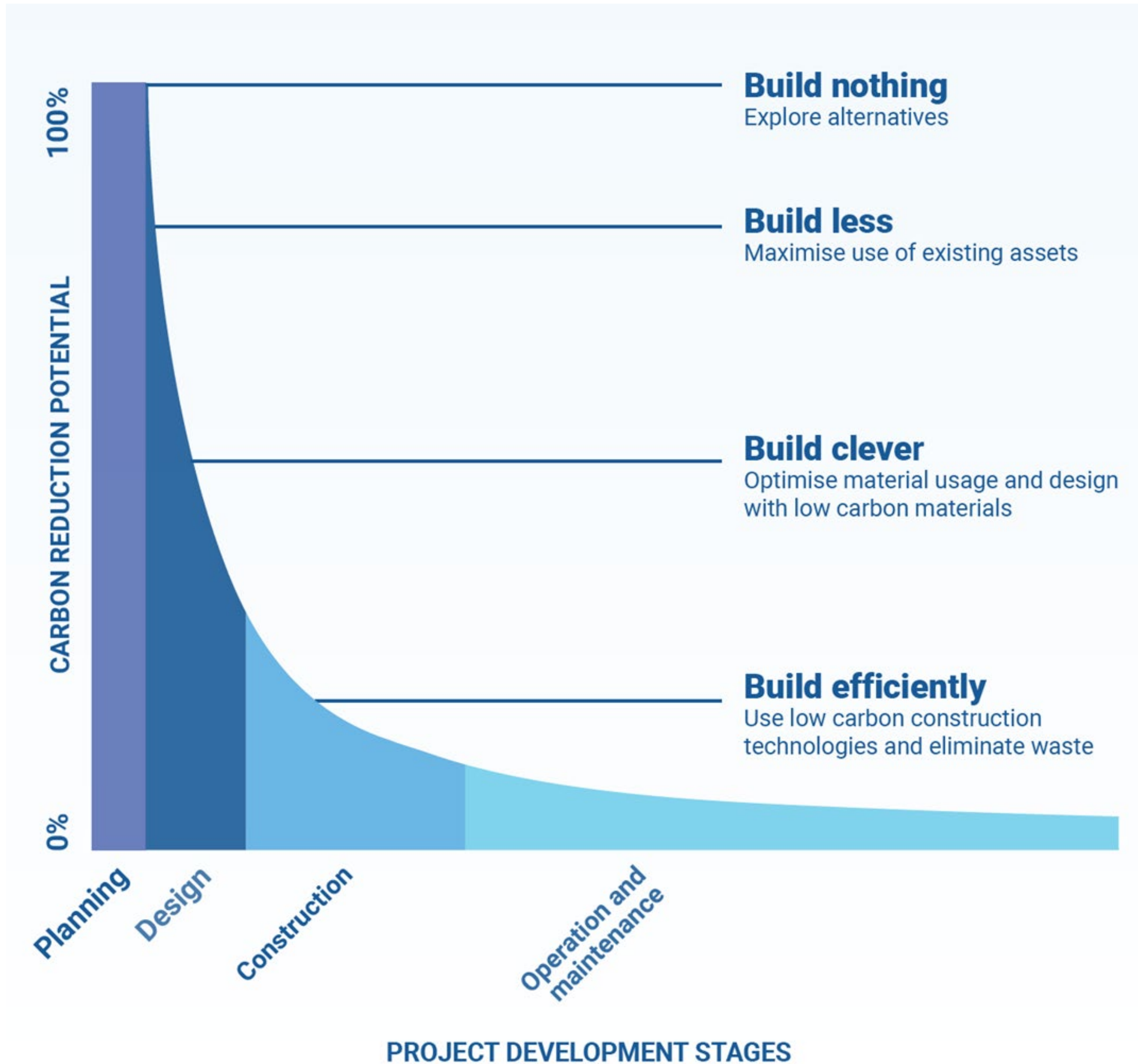




Sustainability in Specification

Environmental Product Declarations (EPDs)

EC Reduction



Aims and Approach:

1. **Build less:** Refurb and re-use
2. **Build light:** Consider the building structure
3. **Build wise:** Longevity and local context
4. **Build low carbon:** Review material specifications
5. **Build for the future:** Assess end of life and adaptability
6. **Build collaboratively:** Involve the whole team
Including Maintenance

EC Reduction



EPD Types of Environmental Declarations

			
	TYPE I Third Party Environmental Labelling	TYPE II Self-declared Environmental Claims	TYPE III Environmental Product Declarations (EPDs)
Declaration Created By:	Third party certified environmental labelling programmes with pre- determined performance requirements	Product manufacturers, importers or distributors	Product manufacturers in accordance with Product Category Rules (PCR) and independently verified by a third party
ISO Compliance	ISO 14024	ISO 14021	ISO 14025

EPD Overview



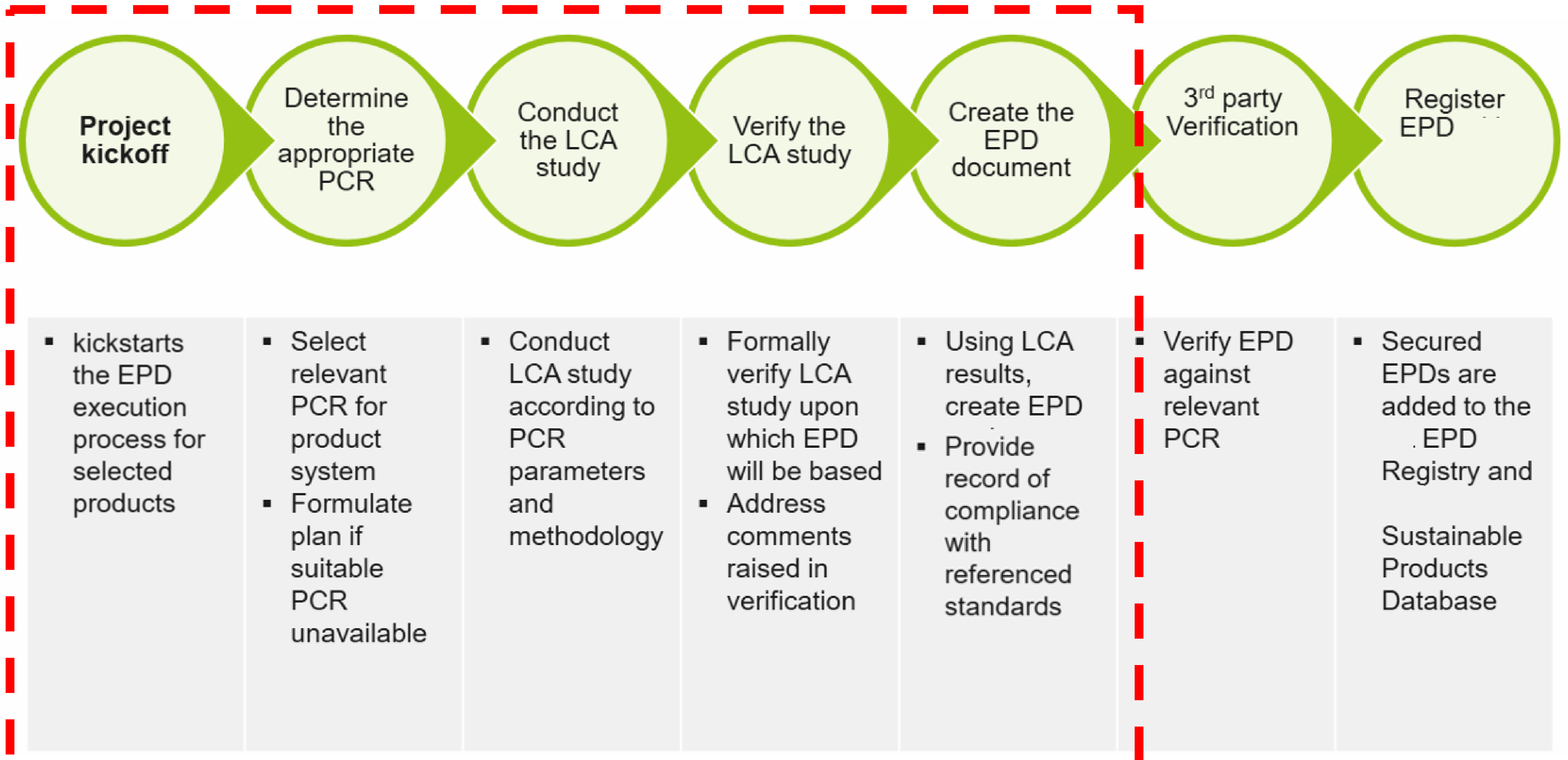
Type III Label, **3rd party verified, and international recognised.**

A single transparent disclosure of a product's impact throughout its **life cycle**.

EPDs are an evaluation tool to help manufacturers, purchasers, suppliers and distributors from government to institution facilities evaluate a product characteristics. Further, they enhance awareness of the overall impact of a product.

EPDs can represent one product, a group of similar products from or more manufacturer's site, or multiple manufacturers (eg an industry average EPD)

EPD Process



EPD 3rd Part Verification

Verification of an EPD is carried out by approved individual verifiers or accredited certification bodies. According to a recent international survey the cost of EPDs was around \$15,000 per EPD and is valid for 5 years.



EPD Product Category Rules (PCR)



**General
information**



**Life cycle process
flowchart**



**Inflow/outflow
Material**



**Inflow/outflow
Non material**



**Transport of
product**



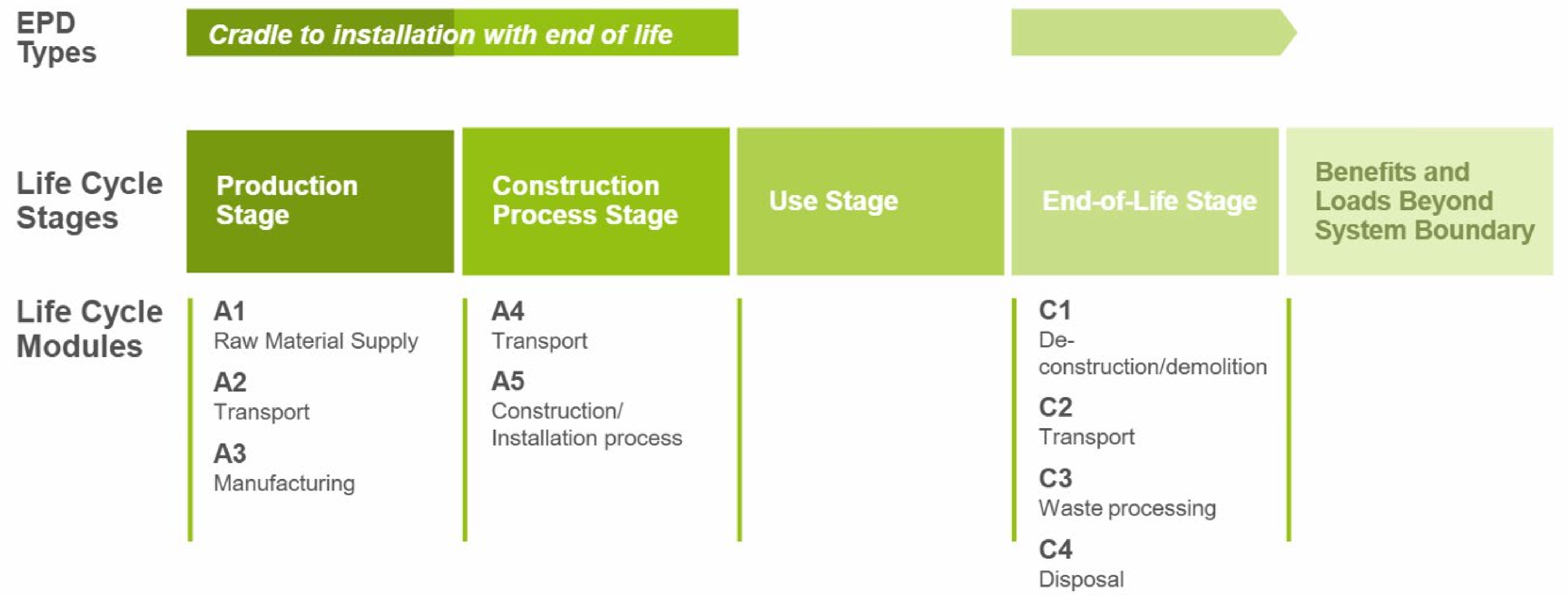
**Installation and
maintenance**



Other information

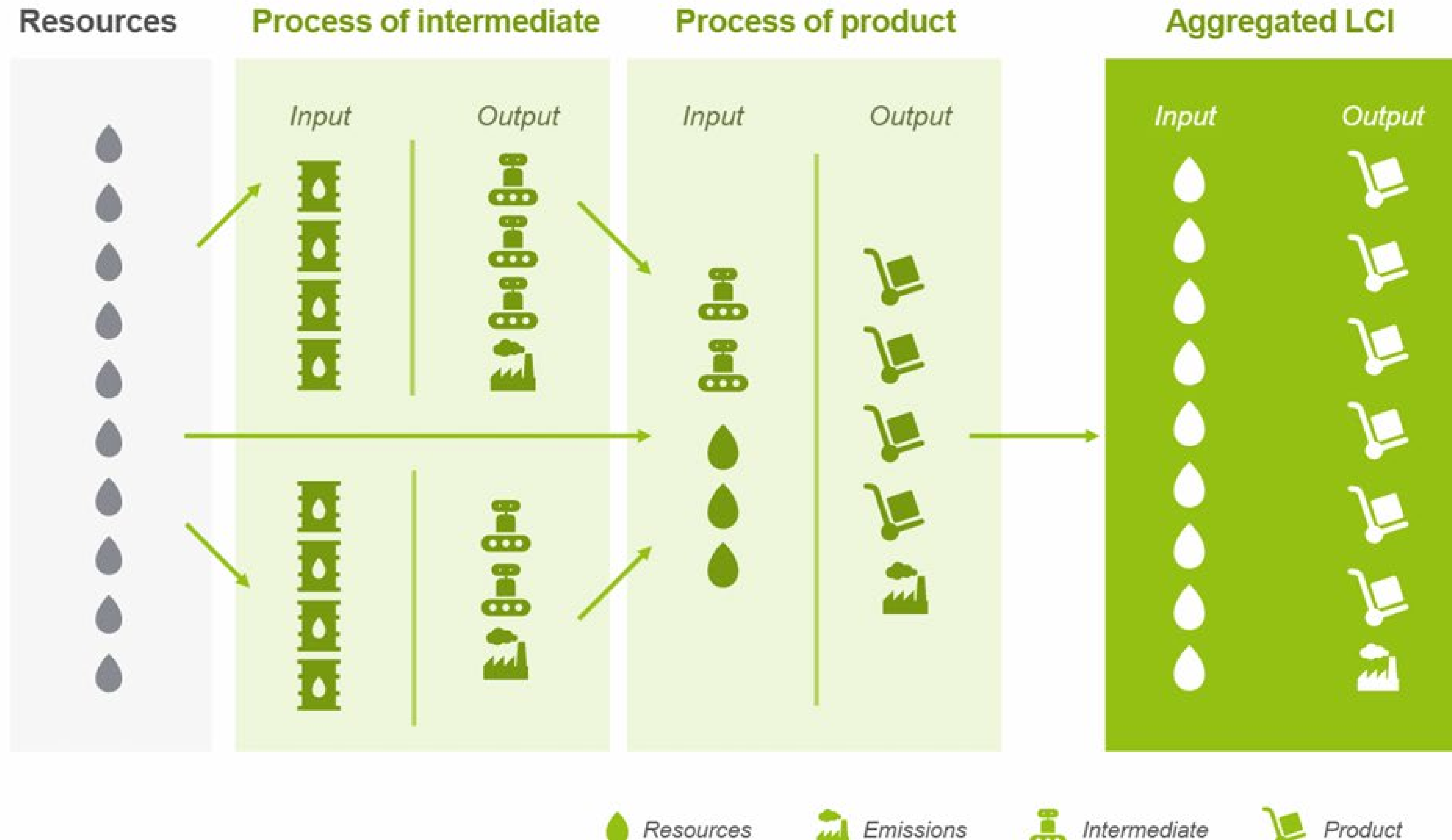
EPD Life Cycle Analysis (LCA)

Cradle to Installation with End of Life



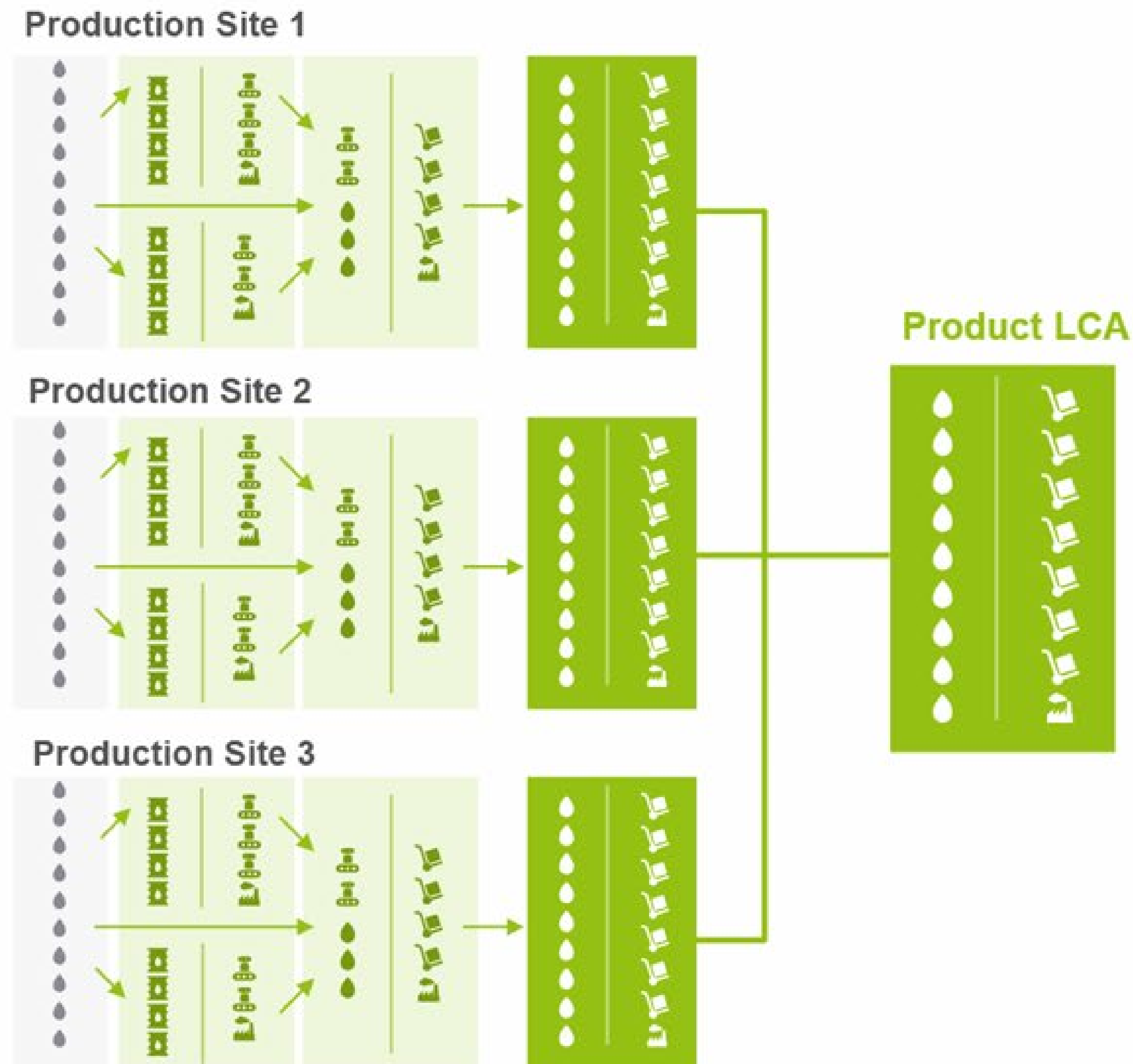
EPD Life Cycle Inventory (LCI) Aggregation

The environmental impact relating to production process of each product is analyzed and aggregated to for each factory



EPD Life Cycle Inventory (LCI) Aggregation

The results of analysis from different production sites are averaged to provide an overall result per product



LCA is conducted on averaged results to provide assessment on environmental impact including:

- **Global Warming Potential**
- **Ozone layer depletion**
- **Photochemical oxidation**
- **Acidification**
- **Eutrophication**

EPD Report

ENVIRONMENTAL PRODUCT DECLARATION

ASPHALT SHINGLE ROOFING SYSTEM

INSTALLATION: FASTENED



Steep-slope roofing system installed with fasteners and consisting of asphalt shingles, underlayment, leak barrier, starter strip, and hip and ridge components.



ENVIRONMENTAL PRODUCT DECLARATION

INDOOR RUBBER ATHLETIC FLOORING 8-10 mm THICKNESSES (ADVANCE NEW GENERATION, ADVANCE VULCANIZED, RAMFLEX, SPORT IMPACT, ZONE-IT)

MONDO SPORT & FLOORING



Resilient Rubber sport flooring for multisport facilities.



SAFE FOR ATHLETES, SAFE FOR THE ENVIRONMENT.

We design, manufacture and supply sports solutions that are safe for the athletes who use them each day, and the structures and environment where they are installed. Our commitment starts with how we design our products, and it continues in how we select our raw materials, choose the energy sources that power our plants, all the way through to how our flooring is disposed of or recycled.

Because indoor air pollution can have a negative effect on athletes' performance and put their health at risk, MONDO has been providing low-emitting products for years, all certified by independent external laboratories, such as U.S. Environment.

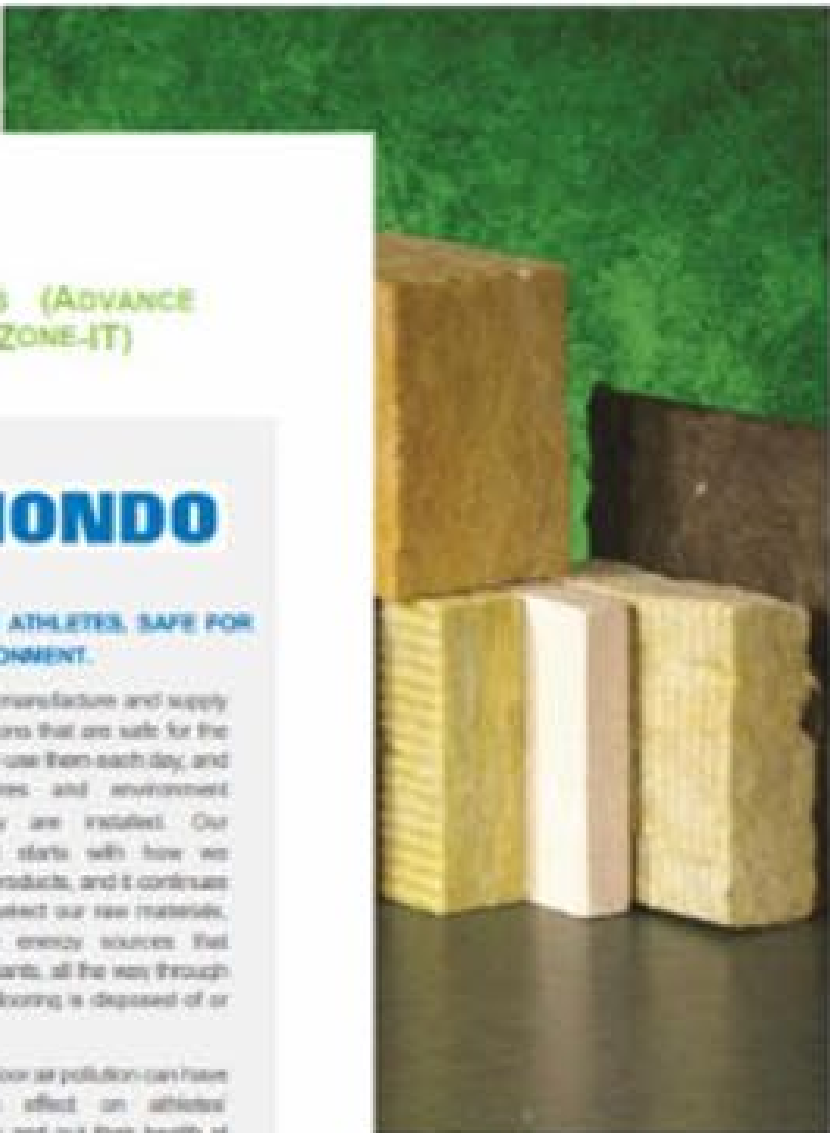
By publishing this EPD, we are demonstrating our commitment to better processes, products and performance for a reduced environmental impact.



ENVIRONMENTAL PRODUCT DECLARATION

MINERAL WOOL BOARD

NORTH AMERICAN INSULATION MANUFACTURERS ASSOCIATION



Using energy, reducing pollution, and smart.



The North American Insulation Manufacturers Association (NAIMA) is the association for North American manufacturers of fiber glass, rock wool, and slag wool insulation products. The Association seeks to promote energy efficiency and environmental preservation through the use of fiber glass, rock wool, and slag wool insulation, and to encourage the safe production and use of these materials. NAIMA advocates for improved energy efficiency in homes and buildings as the quickest and most cost-effective way to reduce energy use and lower greenhouse gas emissions.

Insulation saves 12 times as much energy per pound in its first year of use as the energy used to produce it. In fact, insulation in place in U.S. buildings reduces the amount of carbon dioxide emissions by 780 million tons per year.



ENVIRONMENTAL PRODUCT DECLARATION

GLACIER™ BASIC, FROST™ BASIC AND "F" FISSURED™ BASIC ACOUSTICAL PANELS



A perfect choice for noisy environments, these durable, panels possess excellent sound control and noise reduction qualities. Glacier™ Basic, Frost™ Basic and "F" Fissured™ Basic Acoustical Ceiling Panels combine a high noise reduction coefficient and ceiling attenuation class that make them an ideal choice for environments where noise reduction is important. Perfect for conference and lobby areas, executive offices, hospitality environments, retail stores and transportation terminals.



For over a century, sustainable practices have naturally been an inherent part of our business at USG. Today, they help shape the innovative products that become the homes where we live, the buildings where we work and the arenas where we play. From the product formulations we choose, to the processes we employ, USG is committed to designing, manufacturing, and distributing products that minimize overall environmental impacts and contribute toward a healthier living space. We believe that transparency of product information is essential for our stakeholders and EPDs are the next step toward an even more transparent USG.

For additional information, visit usg.com, opac.usg.com and usg@usg.com








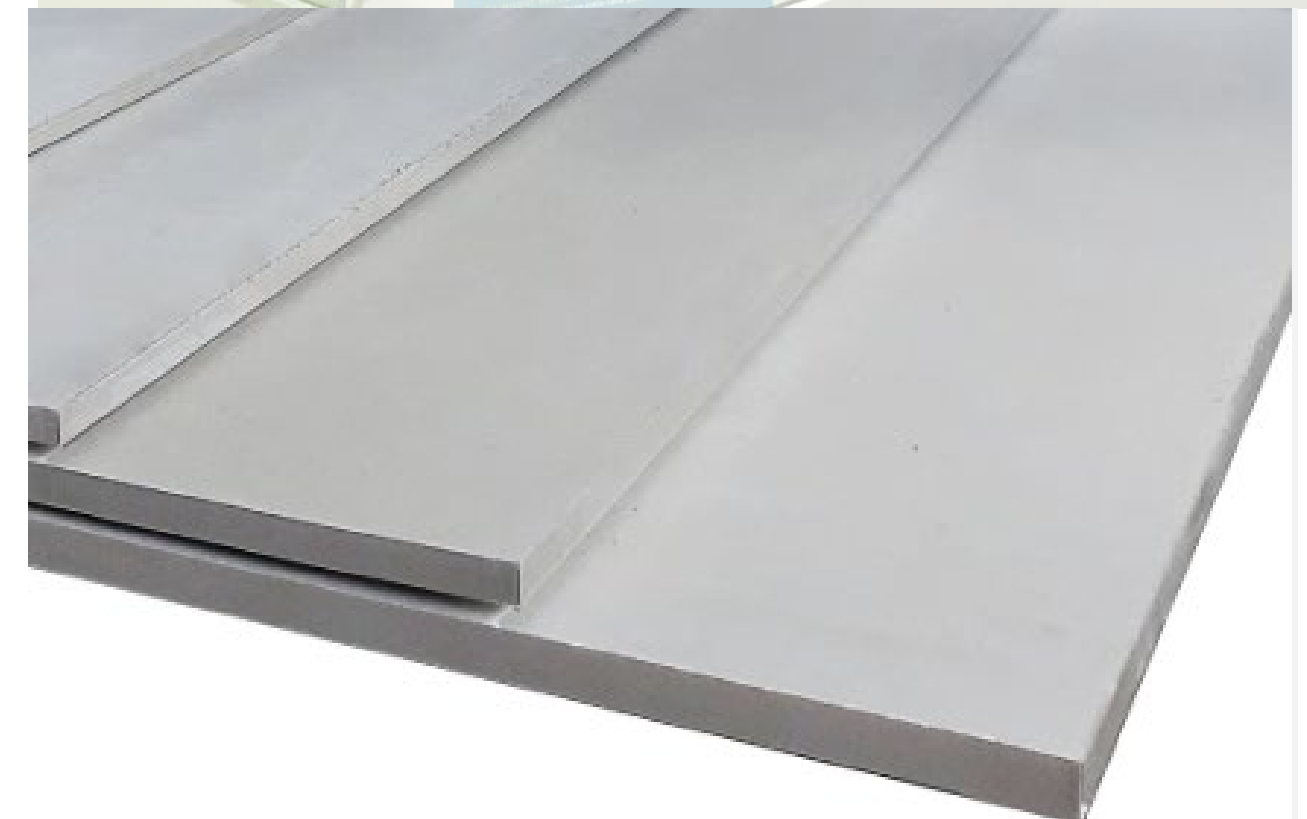
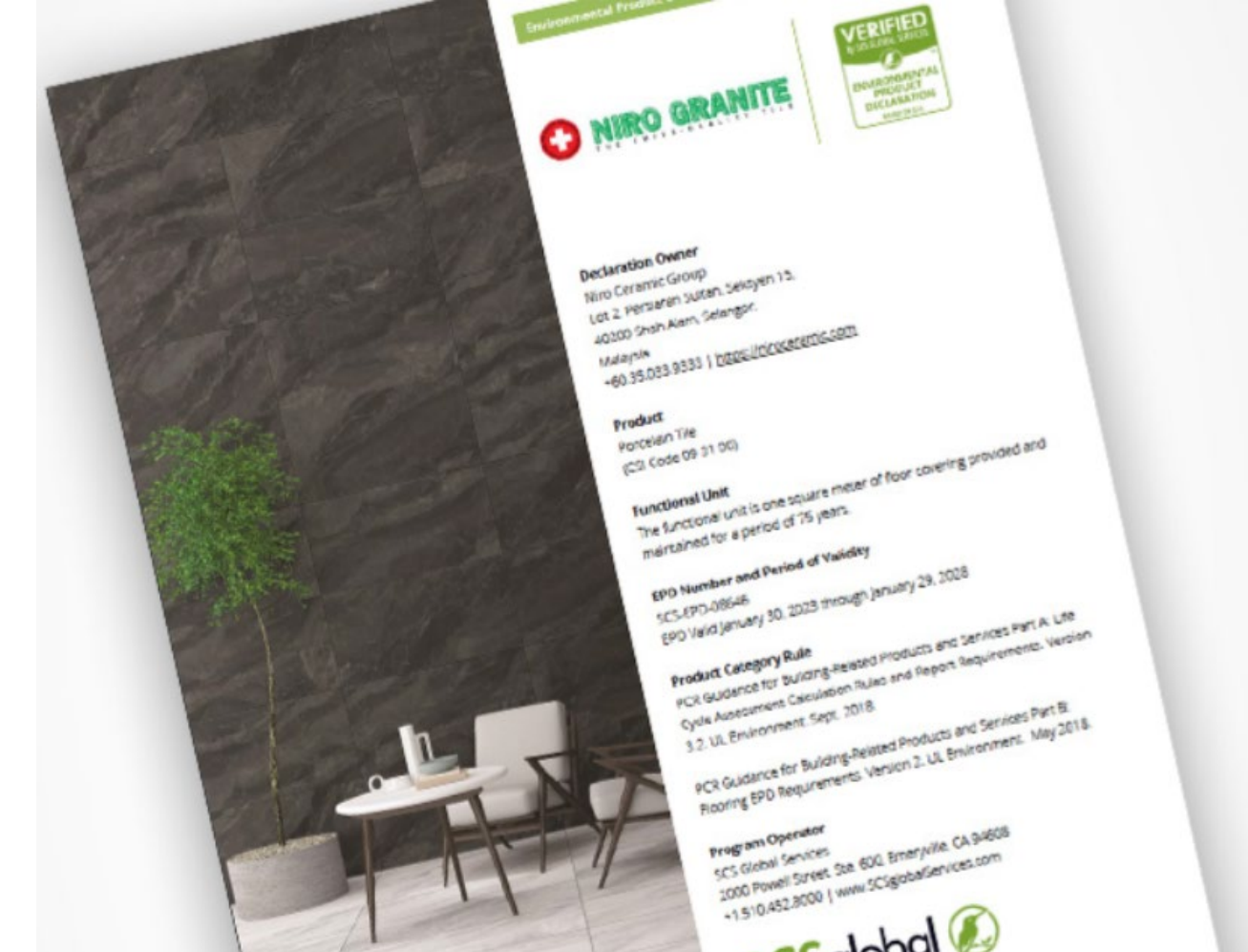
EPD Report

Parameters (Weighted Average)	Units	Modules Included in LCA							
		A1 - A3	A4	A5	B1 - B7	C1	C2	C3	C4
Global Warming Potential (GWP)	kg CO2 eq	2.13E+02	2.12E+01	3.93E+01	0	2.1E+00	3.2E+00	1.6E+00	0
Ozone depletion (ODP)	kg CFC 11 eq	6.47E-06	1.16E-05	3.81E-06	0	2.6E-07	2.2E-06	1.1E-06	0
Acidification potential (AP)	kg SO2 eq	8.13E-01	1.29E-01	1.13E-01	0	1.6E-02	1.9E-02	1.2E-02	0
Eutrophication potential (EP)	kg N - eq	1.68E-01	2.62E-02	3.27E-02	0	3.7E-03	4.8E-03	2.5E-03	2.1E-02
Photochemical ozone creation (POCP) -	kg O3 - eq	7.66E-02	9.30E-03	1.24E-02	0	4.7E-03	1.4E-03	8.9E-04	0
Abiotic depletion potential for fossil resources (ADP-fossil fuels)	MJ	3.00E+02	1.87E+01	6.88E+02	0	2.9E+01	4.0E+01	2.0E+01	0

EPD Product in Malaysia

Some products from Malaysia that have Environmental Product Declarations (EPDs) include: 

- **Niro Granite:** [Niro Ceramic Group announced](#) an EPD for its porcelain tiles 
- **Keraflex Extra S1 White Zero:** Has an EPD that is valid until 2030 and covers South and East Asia 
- **Hardtop Optima:** A coating from Jotun Paints Malaysia that has an EPD 
- **EEW Malaysia Line and Process Pipes:** Has an EPD and are pre-fabricated single pipes 
- **UAC Fibre Cement Board:** Has an EPD 





Conclusion

Key Challenges

Achieving Net Zero Emission by 2050

- More expensive to construct
- Slow in adopting automation in construction sector (high dependency on manual labour)
- Not enough green technologies
- No driving force
- No market demand
- No alternative low-carbon materials
- Technical knowledge limitation and scale
- Complexity to retrofit existing development
- Lack of Environmental Product Declaration (EPD)

Acknowledgement

- Suruhanjaya Tenaga (ST)
- UKM
- Optimal System Engineering Sdn Bhd
- SEDA Malaysia
- CIMB Hub
- Surbana Jurong (SJ)
- Tzu Chi International School
- Bursa Malaysia
- World Green Building Council (WorldGBC)
- United Nation Environmental Program (UNEP)
- Global Alliance for Building and Construction (GlobalABC)
- Construction Industry Development Board (CIDB)
- IJM Construction Sdn Bhd
- Armacell
- International EPD System

Thank You



BGREEN
RIVERSTONE
ELITE