Kenyataan Akhbar
Press Release

MGTC Encourages Proactive Carbon Management Despite Deferment of Carbon Tax

Kuala Lumpur, 24 April 2026 – The Malaysian Green Technology and Climate Change Corporation (MGTC) supports the Government's decision to defer the national carbon tax to prevent additional burdens on businesses and consumers during ongoing global economic uncertainties.

While the deferment offers short-term relief to industries, MGTC emphasises that carbon pricing and emissions regulation remain inevitable in the long term. Malaysian companies are encouraged to act now by adopting internal carbon pricing as a practical step to prepare for this transition.

Assigning a notional price to greenhouse gas emissions helps organisations understand their carbon exposure, anticipate future costs, and integrate climate considerations into decisions. MGTC also recommends setting aside an equivalent value in an internal carbon fund to finance decarbonisation, supporting a disciplined, structured transition.

Companies should direct these internal funds toward green investments that qualify for the Government's Green Investment Tax Allowance (GITA). This approach reduces emissions, improves efficiency, and optimises financial returns through available incentives.

To support immediate action, MGTC offers an accessible online tool for organisations to calculate Scope 1 and Scope 2 greenhouse gas emissions, estimate an internal carbon price, and begin structured carbon management. The tool, available at *lcosbasic.mgtc.gov.my/*, is designed to lower entry barriers, especially for small and medium enterprises.

For more comprehensive carbon management, MGTC offers the Low Carbon Operating System (LCOS) platform by subscription. LCOS supports end-to-end greenhouse gas accounting across all scopes, multi-site reporting, structured data management aligned with international standards, and advanced analytics for decarbonisation strategies. This tiered approach enables companies to start simply and scale as their carbon management capabilities grow.

As Malaysia's implementing agency for green growth and climate action under the Ministry of Natural Resources and Environmental Sustainability, MGTC remains committed to supporting businesses on their decarbonisation journey through advisory services, capacity-building, tools, incentives, facilitation, thought-leadership, and certification programmes.

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“The deferment of the carbon tax should not be seen as a delay in action, but as a window of opportunity for businesses to prepare strategically. Those who move early will be better positioned to remain competitive, manage risks, and capture emerging opportunities in the low-carbon economy,” explained Mr Saiful Adib Abd Munaff, Acting Group Chief Executive Officer of MGTC.

MGTC reiterates that early adoption of carbon management will strengthen business resilience and ensure a smoother transition when future carbon pricing mechanisms are introduced.

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For media inquiries
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About MGTC
MGTC is an agency under the Ministry of Natural Resources and Environmental Sustainability mandated to accelerate green growth, advance climate action and inculcate green lifestyle.

Guided by the National Green Technology Policy (NGTP), the National Policy on Climate Change (NCCP), the Green Technology Master Plan 2017-2030 (GTMP) and the Twelfth Malaysia Plan, MGTC carries out programmes and initiatives to support stakeholders at all levels.

By 2030, through its various programs and initiatives, MGTC aims to facilitate RM100 billion in green investments, create 230,000 green jobs and help Malaysia achieve its net-zero GHG emissions as early as 2050 target.