

ESG

UOB Malaysia launches Sustainability Accelerator Programme to boost SMEs' transition to low carbon economy

By Luqman Amin / theedgemalaysia.com

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UOB Malaysia CEO Ng Wei Wei (left) and Deputy Minister of Investment, Trade and Industry Liew Chin Tong at the launch of the Jom Transform — Sustainability Accelerator Programme on Wednesday. (Photo by UOB Malaysia)

KUALA LUMPUR (Oct 18): UOB Malaysia has launched its Jom Transform — Sustainability Accelerator Programme (JT-SAP) to help small and medium enterprises (SMEs) adopt sustainable practices and transition to a low carbon economy.

Launched by the Deputy Minister of Investment, Trade and Industry Liew Chin Tong, UOB Malaysia said the programme involves 150 SMEs and industry associations for a three-day workshop.

“Participants will acquire knowledge on international case studies, key trends, solutions and insights on sustainability to help them future proof their businesses and improve their competitiveness,” UOB Malaysia said in a statement.

The programme is delivered with the collaborations of Malaysian Green Technology and Climate Change Corporation (MGTC), Capital Markets Malaysia (CMM), PricewaterhouseCoopers Malaysia (PwC), Green Real Estate (GreenRE), and Thoughts In Gear (TIG), UOB Malaysia said.

Citing the UOB Business Outlook Study 2023, UOB Malaysia said despite most SMEs in Malaysia (84%) consider sustainability as important, only 37% of the enterprises have implemented it.

“As SMEs form about 98% of businesses in the country, it is important for them to join the sustainability journey for Malaysia to achieve its net-zero ambitions,” said UOB Malaysia CEO Ng Wei Wei.

“By adopting green practices, SMEs will be able to better manage their business risks and leverage sustainability opportunities to carve out a competitive edge for themselves,” she said.

The main challenges to implement environment, social and governance (ESG) are cited "insufficient knowledge, upfront costs and lack of support", UOB Malaysia said.

In the statement, UOB Malaysia said the JT-SAP leverages a comprehensive 3E Framework (Evaluate, Engage, and Execute) to accelerate their sustainability journey in a pragmatic manner.

It has also initiated the UOB Sustainability Compass, a tool that helps SMEs start their sustainability journey by providing them with customised reports based on their sectors and readiness.

The tool which was developed by PwC is said to provide reports to guide SMEs through a roadmap of becoming sustainable and recommend suitable financing solutions for their green initiatives, the statement said.

“ESG compliance has become increasingly enforced by consumers, regulators and global companies throughout their supply chains” said Beh Wee Khee, managing director and country head of commercial banking, UOB Malaysia.

“With the UOB Sustainability Compass, the bank hopes to value-add by hand-holding these businesses to overcome their initial barriers”, he said.

Edited By Adam Aziz