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Malaysia has adopted several initiatives to support the development of renewable energy sources, including the National Renewable Energy Policy and Action Plan, the Renewable Energy Act and the Sustainable Energy Development Authority Act. These incentives primarily include a feed-in tariff program for eligible renewable energy projects, including solar energy projects. Under this arrangement, the offtake counterparty pays the renewable energy generator the feed-in tariff rate for power that is purchased under the PPA and is subsequently reimbursed by Malaysia's renewable energy fund for the amount such feed-in tariff exceeds the prevailing "displaced costs" of such power. In addition, the Malaysian government has introduced incentives, such as financing programs and tax incentives, to promote the application and development of green technology. See "Business—Government incentives—Malaysia."

Malaysia has historically subsidized liquid fuels, natural gas and electricity prices. In 2014, Malaysia began to implement a subsidy removal program for these fuel types, which will likely increase the price of natural gas and electricity. These rising prices could contribute to an increase in demand for solar energy, as it will be more cost competitive.

**Thailand**

The installed base of energy generation capacity in Thailand increased from 32 GW in 2010 to 33 GW in 2013, or a CAGR of 1%. The following table summarizes the components of Thailand's installed energy generation capacity for 2013:

<b>Fuel type</b>	<b>Percentage</b>
Gas	57.9%
Hydro-electric	16.0
Coal	11.6
Biomass	6.3
Oil	5.0
Solar	2.5
Wind	0.7
<b>Total</b>	<b>100.0%</b>

Thailand's renewable power market has seen growth over the last three years. The cumulative installed capacity of renewable energy sources in Thailand grew from 7 GW in 2010 to 8 GW in 2013, or a CAGR of 5%. Renewable energy sources are expected to grow to 11 GW in 2017 or a CAGR of 7% from 2014 to 2017.