

<b>TARIKH</b>	JUMAAT, 6 SEPTEMBER 2024
<b>AKHBAR</b>	THE STAR
<b>TAJUK ARTIKEL</b>	A TRILLION-RINGGIT GAMBIT
<b>M/S</b>	12
<b>BIDANG</b>	RARE EARTH
<b>KATA KUNCI</b>	LYNAS

12 FRIDAY 6 SEPTEMBER 2024  
**FEATURE ARTICLE**

By JOSEPH WONG  
josephwong@thestar.com.my

**The global shift towards green energy is transforming the demand for rare earths and critical minerals, presenting a significant economic opportunity for Malaysia. Without these essential materials, technologies like electric vehicles, solar panels and mobile devices would not function, highlighting their importance in the modern world. As demand skyrockets, Malaysia's position in this sector could drive substantial economic growth and significantly impact the real estate market.**

Rare earths, despite their name, are not scarce but are found in low concentrations, making mining and processing challenging and expensive. These minerals are essential for manufacturing clean energy technologies and various electronic devices, with the global market projected to grow exponentially in the coming decades.

IQI co-founder and group chief executive officer Kashif Ansari highlighted that the current market for rare earths and critical minerals is valued at RM1.4 trillion and could swell to RM3.4 trillion by 2040. This growth is driven by the urgent need for materials that power sustainable technologies. The transition to green energy is reshaping global supply chains and countries like Malaysia, rich in these valuable resources, are well-positioned to benefit.

**Malaysia's strategic role**

Malaysia has emerged as a key player in the critical minerals market, partly due to the presence of Lynas, one of the world's largest rare earth processing facilities located in Pahang. The Australian-owned Lynas plant symbolises Malaysia's growing influence in the green energy sector, bringing considerable economic benefits to the country.

Lynas alone has attracted RM3bil in foreign direct investment, generated RM1.5bil in exports, paid RM9.4mil in taxes and provided RM65mil in wages to local workers. The average income of Lynas employees is four times higher than the local average in Pahang, demonstrating the potential for high-paying jobs within this industry.

Beyond Lynas, Malaysia's broader reserves of rare earth elements and other critical minerals are estimated to be worth RM4.1 trillion. Of this, RM745bil is attributed to rare earths alone, highlighting the vast untapped potential that these resources represent. This abundance, combined with Malaysia's strategic location and industrial capabilities, positions the country as a future leader in the green minerals sector.

**Environmental benefits**

The growing critical minerals



# A trillion-ringgit gambit

## How Malaysia's rare earths can boost real estate and economic growth

and logistics hubs, will increase. This surge in industrial real estate demand will likely spur new developments and drive property values up.

Regions rich in critical mineral reserves, particularly Pahang, Perak and Kedah, are expected to see significant growth in residential and commercial real estate. The economic boom from critical minerals will create wealth in these regions, boosting incomes and opportunities for local residents. In Pahang, where the Lynas plant is located, the presence of high-value jobs is already having a positive impact on the local real estate market, driving demand for housing and supporting community development.

This economic uplift will extend beyond the immediate mining regions, enriching the national economy and enhancing the purchasing power of Malaysian households. As household incomes rise, families will seek better, larger and more convenient homes, leading to increased property demand across the country. This is particularly beneficial for the B40 group, who stand to gain the most from new job opportunities in this growing industry.

**What the future holds**

The critical minerals industry offers Malaysia a unique opportunity to position itself at the forefront of the global green energy revolution. By investing in sustainable mining and refining practices, Malaysia can capitalise on its vast mineral resources, driving economic growth and creating high-quality jobs for its citizens.

The positive ripple effect on the real estate market further underscores the importance of this sector. As Malaysia strengthens its role in the critical minerals supply chain, the resulting economic growth will boost property values, enhance housing affordability and improve the quality of life for all Malaysians.

Certainly, the rise of the critical minerals market represents more than just an industrial opportunity. It is a pathway to a brighter, wealthier and more sustainable future for Malaysia. By leveraging its natural resources, strategic location and industrial expertise, Malaysia can lead in the global green energy market, securing long-term prosperity for its citizens and leaving a legacy of innovation and resilience. ✨



The current market for rare earths and critical minerals is valued at RM1.4 trillion, said Ansari.

market offers Malaysia the chance to build a more robust economy, create high-paying jobs and increase export revenue. As global companies search for new suppliers of rare earths and critical minerals, Malaysia's role as a processing hub could expand, providing significant economic opportunities for local industries and workers.

For everyday Malaysians, this translates into real, tangible benefits. The expansion of Malaysia's involvement in the processing and manufacturing

<b>DISEDIAKAN OLEH</b>	<b>NOR SURIANI BINTI MOHD ZIN (S44), BPM</b> UNIT PERPUSTAKAAN, BPM
------------------------	--