

# Feed-in Tariff (FiT)



Malaysia's Feed-in Tariff (FiT) system obliges Distribution Licensees (DLs) to buy from Feed-in Approval Holders (FIAHs) the electricity produced from renewable resources (renewable energy) and sets the FiT rate. The DLs will pay for renewable energy supplied to the electricity grid for a specific duration. By guaranteeing access to the grid and setting a favourable price per unit of renewable energy, the FiT mechanism would ensure that renewable energy becomes a viable and sound long-term investment for companies industries and also for individuals.

