



**THE DRIVING PROSPECTS OF SUSTAINABLE ENVIRONMENT IN  
MALAYSIA**

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**2015154763**

**BACHELOR OF BUSINESS ADMINISTRATION**

**WITH HONOURS (FINANCE)**

**FACULTY OF BUSINESS MANAGEMENT**

**UNIVERSITI TEKNOLOGI MARA**

**MALACCA CITY CAMPUS**

**JANUARY 2018**

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**Submitted in Partial Fulfilment of the  
Requirement for the  
Bachelor of Business Administration with Honours (Finance)**

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**DECLARATION OF ORIGINAL WORK**



**BACHELOR OF BUSINESS ADMINISTRATION WITH HONOURS (FINANCE)**

**FACULTY OF BUSINESS MANAGEMENT**

**UNIVERSITI TEKNOLOGI MARA**

**“DECLARATION OF ORIGINAL WORK”**

**I, Nik Isyraq Hasif bin Nik Zainal, (951121-14-6553)**

**Hereby, declare that:**

- **This work has not previously been accepted in substance for any degree, locally or overseas, and is not being concurrently submitted for this degree or any other degrees.**
- **This project-paper is the result of my independent work and investigation, except where otherwise stated.**
- **All verbatim extracts have been distinguished by quotation marks and sources of my information has been specifically acknowledged.**

**Signature: \_\_\_\_\_**

**Date: \_\_\_\_\_**

**LETTER OF SUBMISSION**

**JANUARY 2017**

**Dr Abdul Rahim bin Ridzuan**

**Bachelor of Business Administration Hons (Finance)**

**Faculty of Business Management**

**Kampus Bandaraya Melaka**

**Universiti Teknologi MARA Melaka**

**110 Off Jalan Hang Tuah**

**75300 Melaka Bandaraya Bersejarah**

**Dear Sir/Madam,**

**SUBMISSION OF FINAL PROJECT PAPER**

**Attached is the project paper title “THE DRIVING PROSPECTS OF SUSTAINABLE ENVIRONMENT IN MALAYSIA” to fulfil the requirement needed by the Faculty of Business Management, Universiti Teknologi MARA.**

**Thank You.**

**Yours Sincerely,**

\_\_\_\_\_

**NIK ISYRAQ HASIF BIN NIK ZAINAL**

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## **ABSTRACT**

This paper investigates the relationship between Carbon Dioxide Emissions (CO<sub>2</sub>) and the other factors such as Financial Development (FD), Energy Consumption (ENG), Economic Expansion (GDP) and Trade Openness (TO) in Malaysia. Annual time series data for the 1975 to 2014 period, the Autoregressive Distributed Lag (ARDL) and Unit Root Test such as Augmented Dickey Fuller (ADF) and Phillips Perron (PP) are used for the analysis. The results reveal that among the factors of GDP and TO have positive significant impact on GDP growth. However, FD and ENG are the only variables that does not have significant bearings to CO<sub>2</sub> emissions in Malaysia. The study ultimately analyse the short run and long run elasticities of the model of sustainable development

Keyword: CO<sub>2</sub> emissions, Financial Development, Energy Consumption, Economic Expansion, Trade Openness, ARDL, Short Run Elasticities, Long Run Elasticities, Sustainable Development