

**KEYNOTE ADDRESS BY ENTERPRISE SINGAPORE MANAGING DIRECTOR
MS CINDY KHOO
AT CARBON FORWARD ASIA 2025
ON 4 MARCH 2025**

Mr Louis Redshaw, CEO and Founder, Redshaw Advisors and Net Zero Markets,

Mr Stian Reklef, Co-Founder of Carbon Pulse,

Distinguished guests,

Ladies and gentlemen,

1. Good morning. Thank you for inviting me to the third edition of Carbon Forward Asia in Singapore.
2. In the past year, we witnessed some watershed moments for carbon markets. At COP29, we saw the historic conclusion of negotiations on Article 6 of the Paris Agreement. This sets the stage for a more global and robust carbon market, by providing more countries and companies with the clarity and confidence to participate in Article 6 carbon markets. It also enables the operationalisation of Article 6.4, which will unlock access to global trading of high-quality carbon credits to a wider base of buyers and sellers.
3. We also welcomed positive developments in Southeast Asia's carbon markets.
 - a. Cambodia published its Operations Manual for Implementation of Article 6;
 - b. Vietnam announced plans to develop a national carbon trading platform;
 - c. The Philippines unveiled its roadmap for Article 6 operationalisation.

- d. Indonesia, Malaysia, and Thailand have been taking steps to grow their carbon trading ecosystems.
- 4. But progress is not always linear. Globally, voluntary carbon markets continue to face integrity concerns, financing challenges and a general lack of confidence. Political interest in climate commitments have also recently been called into question. However, we expect this to improve as global standards organisations such as the International Organization for Standardization (ISO), Science Based Targets initiative (SBTi) and Greenhouse Gas Protocol (GHGP) review and align their positions on this.

Singapore is taking action to raise climate ambition

- 5. Notwithstanding these uncertainties, what we can be certain of is that climate change and global warming will persist. This is why Singapore has submitted our 2035 Nationally Determined Contribution (NDC). We are one of thirteen countries globally, and the first country in Southeast Asia to have submitted our 2035 NDC so far. We are targeting a reduction in emissions to between 45 and 50 million tonnes of carbon dioxide equivalent by 2035, which puts us on a linear trajectory to reach net-zero by 2050.
- 6. To achieve this target:
 - a. We **raised our carbon tax** from S\$5 to S\$25 last year and will raise it further to \$45 in 2026.
 - b. We have been **advancing our Article 6 collaborations** with partner countries:
 - i. We have signed 2 more Implementation Agreements (IA) – with Ghana and most recently Bhutan – bringing the total IA count to 3.

- ii. And signed MOUs with Philippines, Laos, Zambia in 2024.
 - c. We are also **importing low-carbon electricity** to green our energy mix, and
 - d. **Investing in decarbonisation solutions** like carbon capture and storage (CCS).
7. **From Financial Year (FY) 2025, all Singapore-listed companies will also be required to make climate-related disclosures** aligned with the International Sustainability Standards Board (ISSB). This will include the disclosure of any planned use of carbon credits and promote greater transparency and consistency in reporting. We will support our companies to meet these reporting requirements through schemes such as Enterprise Singapore's SME Sustainability Reporting Programme, and the Sustainability Reporting Grant, jointly administered by Enterprise Singapore and the Economic Development Board.

Facilitating growth of the carbon services and trading sector

8. Beyond supporting our own decarbonisation strategy, these initiatives also signal Singapore's ambitions to develop as a carbon services and trading hub, to support wider decarbonisation needs globally.
9. We have made good progress in growing our carbon services and trading hub. Since 2021, we have doubled the number of companies in Singapore's carbon services and trading sector from 70 to 140.
10. This growing ecosystem comprises a diverse range of companies, critical to the efficient functioning and development of carbon markets – ranging from carbon service providers, carbon credit traders and financiers to ratings agencies, registries and exchanges.

11. Many of these players are coming together here in Singapore to jointly develop new and innovative industry solutions to address market challenges. One such platform where we see this happening is the Singapore Sustainable Finance Association (SSFA), which houses a Carbon Markets Workstream. The Carbon Markets Workstream is dedicated to advancing the development of carbon markets in Singapore and the region. In the year ahead, the SSFA will convene industry players to co-develop guidance and best practices in important areas including corporate claims and carbon project financing. We welcome more industry players to tap Singapore's rich ecosystem of players to grow the carbon sector.
12. The Singapore Government has also been actively developing new initiatives to strengthen our carbon services and trading hub.
 - a. **To support project development and early-stage financing**, the Economic Development Board launched a Carbon Project Development Grant at COP29, to support leading Singapore-based project developers in originating early-stage Article 6 carbon projects.
 - b. **Enterprise Singapore has been working with global trading firms to establish and grow carbon trading functions here.** Since 2021, we have supported close to 60 companies to set up or expand carbon trading functions in Singapore, hiring more than 550 employees.
 - c. **The Singapore Government will support demand through the direct procurement of carbon credits.** Singapore's first Request for Proposal (RFP) for carbon credits from nature-based solutions was launched last year, and recently closed on 14 February. Following this, the Ministry of Trade and Industry will be launching a subsequent series of RFPs, starting from this year. This will aim to source from all project types eligible under the National Environmental Agency's whitelist.

- d. **On the international front, Singapore is actively participating in shaping global standards critical to the development of high integrity carbon markets.**
 - i. To boost data transparency and drive standardisation in carbon markets, Enterprise Singapore is in discussions with other ISO member countries to develop a new standard – 'Data Model for Carbon Credit Markets'. The standard aims to establish a unified data taxonomy for carbon credits, facilitating seamless data exchange across players in the carbon credits ecosystem.
 - ii. The Singapore National Climate Change Secretariat (NCCS) is also working with two of the world's largest independent carbon crediting programmes – Verra and Gold Standard – to develop an Article 6.2 Crediting Protocol aimed at supporting countries to achieve their NDCs and sustainability development goals. The creation of such standardised and streamlined international procedures, leveraging Voluntary Carbon Markets, will also contribute to the development of more interoperable, global carbon markets.

Encourage industry to continue to work together to advance the carbon market

- 13. As we drive further efforts to grow the carbon markets, platforms like Carbon Forward Asia are important touchpoints for us to engage the private sector and identify new opportunities for collaboration.
- 14. This morning, I would like to invite you to consider how you can partner us in at least one of the three following areas:
 - a. **First, Singapore is actively fostering international collaborations and project opportunities for carbon markets.** Last year, South Pole and

GenZero launched the Asia Centre of Carbon Excellence (ACCE) in Singapore, a new hub of international experts focused on innovative and novel carbon project development, carbon policy and capacity-building. These include projects in early coal phase-out, greener shipping fuels and carbon capture and storage. We hope to foster more of such collaborations to develop the market in Singapore.

b. **Second, we need to address the finance gap of the carbon markets.**

Singapore has been at the forefront of developing innovative financing solutions. One such example is the Transition Credits Coalition (TRACTION), convened by the Monetary Authority of Singapore, in partnership with over 30 financial institutions, philanthropic organisations, and NGOs. This aims to support the generation of high-integrity transition credits, enabling transaction scalability, and bolstering buyers' confidence and trust. We hope to foster more of such innovative collaborations between financial institutions and industry stakeholders to grow the market.

c. **Finally, to sustain long-term growth, we must continually invest in people.** In November 2024, Enterprise Singapore, the Economic Development Board, and Nanyang Technological University launched the Carbon Markets Academy of Singapore (CMAS). Since the start of this year, over 100 participants have enrolled across the first two intakes of the CMAS' Executive Certificate in Carbon Markets (ECCM) course. A third intake has just been opened for registration this week. We encourage more companies to take advantage of such resources to equip and upskill your people.

Conclusion

15. Ladies and gentlemen, climate change is not bound by borders nor is it dictated by the decisions of any single nation. It is a global reality – one that unfolds regardless

of political shifts or policy changes. I look forward to our collective response towards a low-carbon future through the development and strengthening of carbon markets.

16. Thank you.