

**For Immediate Release**

**SINGAPORE AND VIETNAM SIGN  
MEMORANDUMS OF UNDERSTANDING TO COLLABORATE ON  
ENERGY AND CARBON CREDITS**

1. Second Minister for Trade and Industry Dr Tan See Leng signed a Memorandum of Understanding (MOU) on Energy Cooperation with Vietnam Minister of Industry and Trade Nguyen Hong Dien and an MOU on Carbon Credits Collaboration with Vietnam Minister of Natural Resources and Environment Dr Tran Hong Ha today, on the sidelines of President Halimah Yacob's State Visit to the Socialist Republic of Vietnam from 16 to 20 October 2022.

2. The MOU on Energy Cooperation reaffirms Singapore and Vietnam's shared commitment to support and facilitate our energy transition and covers several key areas such as (i) development and financing of renewable energy, (ii) development of interconnectors for increased grid resilience and stability and electricity trading, and (iii) research, development ("R&D") and deployment of low-carbon energy technologies and solutions such as hydrogen, ammonia, energy storage systems (ESS), smart grids and related infrastructure, as well as other areas of collaboration.

3. The MOU on Carbon Credits Collaboration is the first MOU to be signed between Singapore and an ASEAN Member State. The MOU signals Singapore's and Vietnam's commitment to collaborate on carbon credit pilot projects which would support both countries in meeting their climate targets. To implement the pilot projects, both countries will also develop modalities and procedures to enable the transfer of correspondingly adjusted carbon credits that are generated.

4. Minister Tan said, "Singapore and Vietnam are close partners, and are committed to supporting both our countries' energy transition as well as regional decarbonisation. The MOU on Energy Cooperation will pave the way for greater cross-border electricity trade and the development and financing of low-carbon technologies. The MOU on Carbon Credits Collaboration underscores our shared commitment to work together on carbon credit pilot projects aligned to Article 6 of the Paris Agreement. We believe that international collaboration, such as that between Singapore and Vietnam, is critical in promoting global climate action to achieve the goals of the Paris Agreement".

**Annex A: Factsheet on MOU on Carbon Credits Collaboration**

**MINISTRY OF TRADE AND INDUSTRY  
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## Annex A

### Factsheet on Memorandum of Understanding for Collaboration on Carbon Credits Between Singapore and Vietnam

- Singapore and Vietnam signed a Memorandum of Understanding (MOU) for Collaboration under Article 6 of the Paris Agreement.
- The MOU signals Singapore's and Vietnam's intent to collaborate on carbon credit pilot projects. To implement the pilot projects, both countries will develop modalities and procedures to enable the transfer of correspondingly adjusted<sup>1</sup> carbon credits that will be generated.
- These pilot projects will be aligned with Article 6 of the Paris Agreement which allows countries to voluntarily cooperate to achieve emission targets set out in their Nationally Determined Contribution (NDC).
- Under the MOU, Singapore and Vietnam will also undertake knowledge exchanges on carbon tax, carbon credits frameworks and other climate issues.
- Singapore aims to achieve net zero emissions by or around mid-century, and Singapore is committed to advancing global climate action through international collaboration with like-minded partners.

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<sup>1</sup> Corresponding adjustment is applied when one country agrees to transfer a mitigation outcome to another country and correspondingly subtracts the emission reduction from its own greenhouse gas (GHG) accounting.