

**SINGAPORE AND CHILE SIGN MEMORANDUM OF UNDERSTANDING TO COLLABORATE ON CARBON MARKETS AND CARBON PRICING**

1. Singapore and Chile signed a Memorandum of Understanding (MOU) to collaborate on carbon markets and carbon pricing today. The MOU was signed by Permanent Secretary (Development) of the Ministry of Trade and Industry, Dr Beh Swan Gin and Secretary General of Foreign Policy of Chile's Ministry of Foreign Affairs Ambassador Alex Wetzig during the latter's visit to Singapore.
2. Under the MOU, both countries will collaborate on carbon credits aligned to Article 6.2 of the Paris Agreement and related carbon market initiatives. This includes the identification of mutually beneficial projects and the exchange of best practices on carbon services and trading ecosystem development. Singapore and Chile will also explore potential collaboration opportunities in carbon markets with third countries.
3. Dr Beh said, "Singapore and Chile share warm and longstanding bilateral ties, and are committed to working together to advance climate action and ambitions. We hope that through this agreement, both our countries will see an increase in climate investments, create jobs in the green economy, and enable technology collaboration".

**Annex A: Photo of the MOU signing**

**Annex B: Factsheet on Singapore-Chile MOU to collaborate on carbon markets and carbon pricing**

**MINISTRY OF TRADE AND INDUSTRY**

**14 AUGUST 2023**

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For media queries, please contact:

Kenneth Low  
Communications and Engagement Division  
Ministry of Trade and Industry  
Tel: +65 6332 7315  
Email: [Kenneth\\_low@mti.gov.sg](mailto:Kenneth_low@mti.gov.sg)

Photo of the MOU signing



**Caption:** Permanent Secretary (Development), Ministry of Trade and Industry Dr Beh Swan Gin and Chile's Secretary General of Foreign Policy, Ministry of Foreign Affairs Ambassador Alex Wetzig signed a Memorandum of Understanding between Singapore and Chile on collaboration on carbon markets and carbon pricing.

Factsheet on Singapore-Chile MOU to collaborate on carbon markets and carbon pricing

- The MOU signals Singapore's and Chile's intent to collaborate on carbon markets and carbon pricing. The cooperation includes exchange of information, knowledge, best practice and experiences on carbon credits, carbon pricing, blue carbon, carbon services and trading ecosystem development such as national regulatory frameworks, and policies governing the management and development of greenhouse gas mitigation activities and resources, with a view to identifying possible collaboration opportunities in these areas for implementation.
- Under the MOU, Singapore and Chile will work towards a legally binding Implementation Agreement that sets out a bilateral framework for the international transfer of correspondingly adjusted carbon credits<sup>1</sup> aligned with Article 6.2 of the Paris Agreement. The Implementation Agreement will include the criteria and processes for transfer of carbon credits aligned with the Paris Agreement. When completed, carbon tax liable companies in Singapore will be able to purchase carbon credits from eligible projects to offset up to 5% of their taxable emissions.
- Singapore and Chile will work together to identify potential Article 6-compliant mitigation activities, including emissions reduction and removal projects of mutual benefit and interest, which can support both countries to achieve their respective NDCs.
- Singapore aims to achieve net zero emissions by 2050, and is committed to advancing global climate action through international collaboration with like-minded partners.
- Singapore has signed similar MOU/Letter of Intent with Bhutan, Cambodia, Colombia, Dominican Republic, Ghana, Kenya, Mongolia, Morocco, Papua New Guinea, Peru, and Vietnam.

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<sup>1</sup> Making a corresponding adjustment means that when a country transfers a mitigation outcome to be counted towards another country's mitigation or for use towards other international mitigation purposes, the country must add the mitigation outcome into its own inventory to avoid double counting.