

SINGAPORE AND SRI LANKA SIGN MEMORANDUM OF UNDERSTANDING TO COLLABORATE ON CARBON CREDITS

1. Singapore and Sri Lanka signed a Memorandum of Understanding (MOU) to collaborate on carbon credits today. The MOU was signed by Permanent Secretary (Development) of the Ministry of Trade and Industry, Dr Beh Swan Gin and Sri Lanka High Commissioner to Singapore, Sashikala Premawardhane.
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 exchange of best practices on carbon credits, and the identification of mutually beneficial projects. Singapore and Sri Lanka will also explore potential collaboration opportunities in carbon markets with third countries.
3. Dr Beh said, "Singapore and Sri Lanka's cooperation on carbon credits aims to advance climate action. This MOU enables both countries to make progress on our respective climate targets while enabling mutually beneficial outcomes such as creating new jobs in the green economy and enhancing biodiversity protection".

Annex A: Photo of the MOU signing

Annex B: Factsheet on Singapore-Sri Lanka MOU to collaborate on carbon credits

MINISTRY OF TRADE AND INDUSTRY

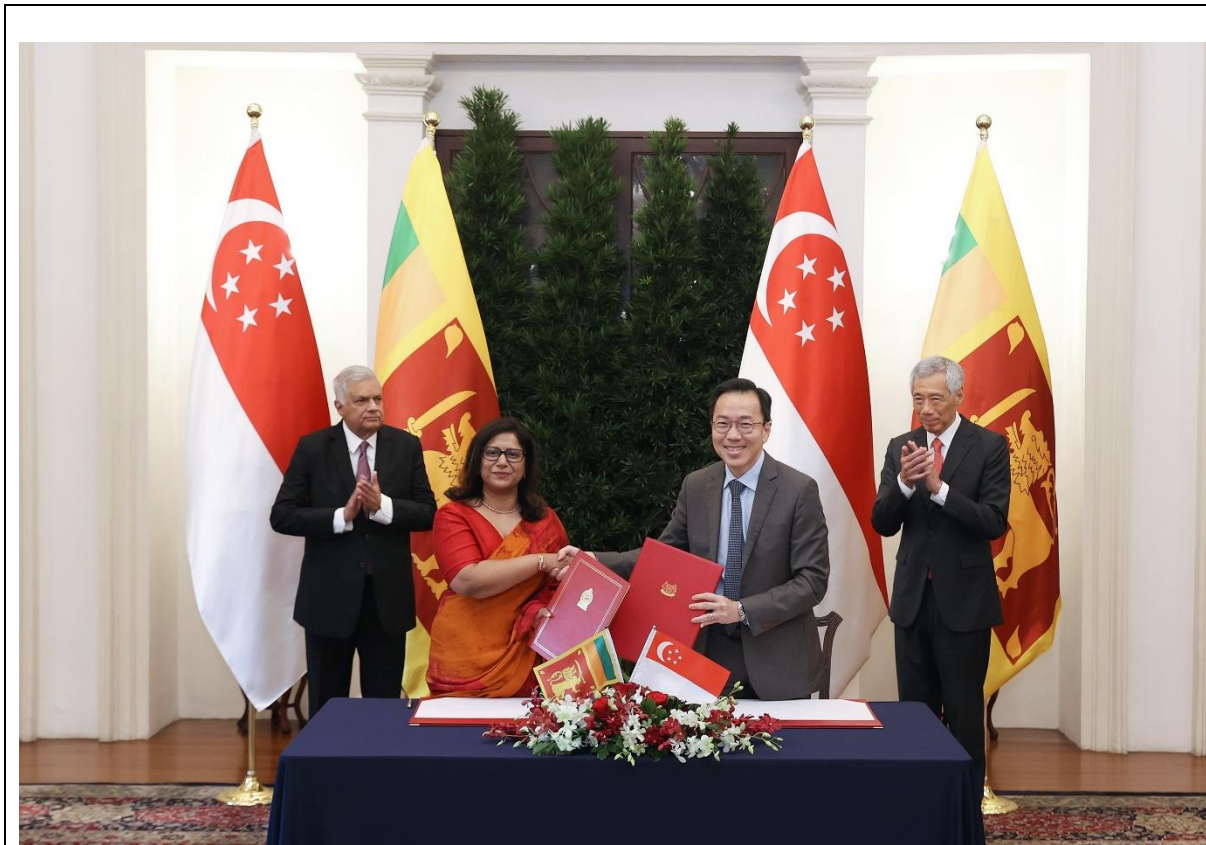
22 AUGUST 2023

* * * *

For media queries, please contact:

Kenneth Low
Communications and Engagement Division
Ministry of Trade and Industry
Email: Kenneth_low@mti.gov.sg

Photo of the MOU signing



Caption: Permanent Secretary (Development), Ministry of Trade and Industry Dr Beh Swan Gin and Sri Lankan High Commissioner to Singapore, Sashikala Premawardhane signed a Memorandum of Understanding between Singapore and Sri Lanka on collaboration on carbon credits. The signing was witnessed by Prime Minister Lee Hsien Loong and Sri Lanka President Ranil Wickremesinghe. [Photo credit: Ministry of Communications and Information (MCI)]

Factsheet on Singapore-Sri Lanka MOU to collaborate on carbon credits

- The MOU signals Singapore's and Sri Lanka's intent to collaborate on carbon credits. The cooperation includes exchange of information, knowledge, best practices and experiences on carbon credits such as national regulatory frameworks, and policies governing the management and development of greenhouse gas mitigation activities and resources.
- Under the MOU, Singapore and Sri Lanka will work towards a legally binding Implementation Agreement that sets out a bilateral framework for the international transfer of correspondingly adjusted carbon credits¹ 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 Sri Lanka 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 MOUs/Letters of Intent with Bhutan, Cambodia, Chile, Colombia, Dominican Republic, Ghana, Kenya, Mongolia, Morocco, Papua New Guinea, Peru, and Vietnam.

¹ 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.