MTI MINISTRY OF TRADE AND INDUSTRY SINGAPORE

PRESS RELEASE

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SINGAPORE AND RWANDA SIGN MEMORANDUM OF UNDERSTANDING TO COLLABORATE ON CARBON CREDITS TO ACCELERATE CLIMATE ACTION

1. Singapore and Rwanda signed a Memorandum of Understanding (MOU) to collaborate on carbon credits aligned with Article 6 of the Paris Agreement today. The MOU was signed by Deputy Secretary (Industry) of the Ministry of Trade and Industry Mr Keith Tan and Minister of Environment of Rwanda Dr Jeanne d'Arc Mujawamariya on the sidelines of the 2023 United Nations Climate Change Conference (COP28), and announced alongside the launch of Rwanda's Carbon Market Framework. The MOU signing was witnessed by Senior Minister, Coordinating Minister for National Security, and Chairman of the Inter-Ministerial Committee on Climate Change Teo Chee Hean.

2. Under the MOU, both countries will collaborate on carbon credits aligned with Article 6.2 of the Paris Agreement and related carbon market initiatives. This includes the exchange of best practices and knowledge on carbon market mechanisms, as well as the identification of mutually beneficial Article 6-compliant carbon credit projects that will support both countries in achieving their Nationally Determined Contributions (NDCs).

3. Deputy Secretary (Industry) Mr Keith Tan said, "Singapore and Rwanda enjoy close collaborations across several areas such as trade, finance, and the digital economy. Today, we are delighted to expand our collaboration to high quality carbon credits. This MOU signals both countries' commitment to advancing climate ambition, with carbon markets as an enabler for positive climate action."

Annex A: Photo of the MOU signing
Annex B: Factsheet on Singapore-Rwanda MOU to collaborate on carbon credits to accelerate climate action

MINISTRY OF TRADE AND INDUSTRY

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Annex A

Photo of the MOU signing

Caption: Deputy Secretary (Industry) of the Ministry of Trade and Industry Mr Keith Tan and Minister of Environment of Rwanda Dr Jeanne d'Arc Mujawamariya signed a Memorandum of Understanding between Singapore and Rwanda to collaborate on carbon credits under Article 6 of the Paris Agreement. The signing was witnessed by Senior Minister, Coordinating Minister for National Security, and Chairman of the Inter-Ministerial Committee on Climate Change Teo Chee Hean.

[Photo Credit: Ministry of Communications and Information (MCI), Singapore]

Annex B

Factsheet on Singapore-Rwanda MOU to Collaborate on Carbon Credits to Accelerate Climate Action

- The MOU signals Singapore's and Rwanda's intent to collaborate on carbon credits, 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), while promoting sustainable development and ensuring high environmental integrity.

- Under the MOU, Singapore and Rwanda will work towards a legally binding Implementation Agreement that sets out a bilateral framework for the international transfer of correspondingly adjusted carbon credits[1]. The Implementation Agreement will include the criteria and processes for trading carbon credits under Article 6 of 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 Rwanda will work together to identify potential Article 6-compliant mitigation activities, such as energy efficiency and waste management projects, 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 concluded substantive negotiations on an Implementation Agreement with Ghana and Vietnam, and has signed similar MOUs with Bhutan, Cambodia, Chile, Colombia, Dominican Republic, Indonesia, Kenya, Mongolia, Morocco, Papua New Guinea, Peru, and Sri Lanka.

[1] Corresponding adjustment is the transfer of emissions reductions across countries' greenhouse gas inventory, and prevents the double-counting of emissions reductions or removals towards both buyer and host country's NDCs. For example, when Country X (buyer) receives five tonnes of carbon dioxide equivalent (tCO2e) of carbon credits from Country Y (host country), Country Y (host country) has to add five tCO2e to its greenhouse gas inventory while Country X (buyer) will reduce five tCO2e from its greenhouse gas inventory.