

SINGAPORE ENHANCES ARTICLE 6 CARBON MARKETS BY COMMITTING US\$15 MILLION TO GGGI'S CARBON TRANSACTION FACILITY AND ESTABLISHES SINGAPORE ARTICLE 6 CARBON FACILITY

1. Singapore aims to address practical barriers that have hindered progress in Article 6 carbon markets, from high transaction costs and limited institutional capacity in host countries, to the lack of project development funding. Hence, Singapore has joined the Global Green Growth Institute's (GGGI) Carbon Transaction Facility (CTF), contributing US\$15 million to strengthen international collaboration on high-integrity Article 6¹ carbon markets and scale climate action.

2. The CTF, launched by GGGI in October 2024, is designed to make Article 6 cooperation a practical reality by providing readiness support and dedicated funding for high-integrity Article 6 carbon credit projects. Singapore is the first country in Asia to contribute to the CTF, alongside the United Kingdom, New Zealand, Norway, and Sweden. This was announced by Minister of State for Trade and Industry Alvin Tan at the GenZero Climate Summit 2026.

3. Singapore's US\$15 million contribution will be deployed across two facilities. US\$5 million will be directed to an Article 6 Readiness Facility, which builds the capacity of GGGI member and partner countries to participate effectively in Article 6 carbon markets. The remaining US\$10 million will establish the Singapore Article 6 Carbon Facility, which will finance the development of Article 6 carbon credit projects, with the credits generated to be used towards Singapore's own climate targets.

4. Mr Augustin Lee, Permanent Secretary (Energy & Trade), Ministry of Trade and Industry (MTI) said, "Singapore is committed to advancing high-integrity international carbon markets that accelerate climate action. Through the CTF, we hope to create high quality carbon credits which we can buy to offset our carbon emissions."

5. Mr Sang-Hyup Kim, Executive Director, GGGI, said, "This partnership marks Singapore's first collaboration with GGGI, and we are pleased to welcome a country that has played a leading role in advancing carbon markets globally as a new strategic partner. Singapore's contribution is an important step in expanding high-integrity, country-driven cooperation under Article 6, and this is a highly appreciated development as we build closer relationship with ASEAN countries. Through the CTF,

¹ Article 6 of the Paris Agreement enables countries to cooperate and meet their climate commitments, or Nationally Determined Contributions (NDCs), through the transfer of carbon credits known as Internationally Transferred Mitigation Outcomes (ITMOs).

we work closely with governments to put in place the systems, policies, and partnerships that move countries from readiness to results — delivering climate ambition, environmental integrity, and sustainable development."

6. GGGI is a treaty-based international, inter-governmental organisation dedicated to supporting and promoting strong, inclusive and sustainable economic growth in developing countries and emerging economies. The CTF, launched by GGGI in October 2024, is designed to catalyse carbon trading under the Paris Agreement by providing readiness support and establishing dedicated funds for purchasing Article 6 aligned carbon credits.

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