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Singapore launches new grant to support early-stage carbon projects and financingÂ activitiesÂ

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Carbon project development grant to support leading companies in generating high-quality Article 6 carbon credits



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The Singapore Economic Development Board (EDB) has launched a new grant to support Singapore-based companies carrying out early-stage carbon project development and financing activities that could generate high-quality Article 6 carbon credits.

High quality carbon credits that are aligned with Article 6 of the Paris Agreement are one of the viable decarbonisation pathways for hard-to-abate sectors in Singapore. However, the global supply of such credits is limited, with early-stage financing gaps being one of the bottlenecks surfaced by project developers and investors.

The new grant, in its pilot phase, aims to address this lack of financing and spur the development of and investment in more carbon projects, including those in the region. Southeast Asia is a promising and significant source of carbon credits and has a wealth of potentially investible projects ranging from forestry conservation and restoration to blue carbon removal.Â

Established carbon project developers with past success in developing high-quality carbon credit projects are eligible to apply for the grant. They will be expected to anchor a carbon project development team in Singapore to undertake the development of early-stage carbon projects. These projects must meet the criteria set out under Singaporeâ??s International Carbon Credit (ICC) Framework and be undertaken in countries that Singapore has existing carbon credit collaborations with, that are aligned with Article 6 of the Paris AgreementÂ . Eligible developers will receive support for activities associated with originating and undertaking feasibility studies for the proposed carbon projects. This includes performing carbon stock

assessments, developing baseline and project scenarios, estimating GHG reductions, carbon data collection, local stakeholder engagement, and financial analysis. EDB will take in industry feedback and evolving policy developments around carbon credits to refine the initiative down the line.

â??The Carbon Project Development Grant is designed to catalyse growth in Singaporeâ??s carbon services and trading ecosystem and develop a supply of high quality carbon credits to support our climate ambitions. Leading carbon project developers can benefit from Singaporeâ??s strengths as a global business hub to originate, finance and develop carbon projects that meet the needs of countries and companies in the region. We welcome more like-minded partners to work with us in building up a robust carbon market to achieve our sustainability goals.â? Jacqueline Poh, Managing Director, EDB.