

Singapore signs implementation of carbon credits agreement with Paraguay

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Singapore and Paraguay signed an Implementation Agreement on carbon credits collaboration on 23rd May. The Agreement establishes a framework for the generation and transfer of carbon credits from carbon mitigation projects aligned with Article 6 of the Paris Agreement.

Project developers can leverage this framework to develop high-quality carbon credit projects that align with the Article 6 rulebook. Information on the process for authorisation of these carbon credit projects and eligible carbon credit methodologies under the Implementation Agreement will be published in due course.

The Implementation Agreement was signed by Singapore's Minister for Sustainability and the Environment and Minister-in-Charge of Trade Relations, Grace Fu, and Paraguay's Minister of Environment and Sustainable Development, Rolando de Barros Barreto. This is Singapore's seventh Implementation Agreement on carbon credits collaboration following agreements with Papua New Guinea, Ghana, Bhutan, Peru, Chile, and Rwanda.

Minister Fu said, "Singapore and Paraguay share warm and growing trade relations, with both countries committed to fostering sustainable development and economic cooperation. This Implementation Agreement marks a significant milestone in our partnership, as we work together to address the global challenge of climate change. I look forward to seeing companies leverage this Agreement to develop tangible projects that drive real emissions reductions."

Minister Barreto said, “The signing of this agreement with Singapore represents a strategic step in positioning Paraguay as a key player in international carbon markets. This mechanism not only reaffirms our commitment to environmental integrity and the goals of the Paris Agreement, but also opens new opportunities to generate green jobs, attract sustainable investments, and improve the quality of life of our people” demonstrating that economic development can and must go hand in hand with climate action.”

The collaboration will advance both countries’ climate ambitions by directing financing towards unlocking additional mitigation potential in Paraguay. The carbon mitigation projects authorised under this Implementation Agreement will promote sustainable development and deliver tangible benefits to local communities, such as creation of jobs and reduction of environmental pollution.