

Commentary

S'pore can help steer countries in dealing with climate crisis

Republic has key role to play in a critical decade of action to meet goals set out in Paris Agreement



Melissa Low
For The Sunday Times

In less than three weeks, about 195 countries and tens of thousands of business and civil society observers will gather again for the United Nations Climate Change Conference (COP27).

This year, the Egyptian seaside city of Sharm el-Sheik will play host to the annual global climate conference.

UN Secretary-General Antonio Guterres said COP27 is “the number one litmus test” of how seriously governments take the growing climate threat faced by the most vulnerable countries.

Expectations are high for COP27 to deliver on a number of key issues.

For example, developing countries will be looking to developed nations to make good on earlier promises to deliver much-needed climate finance to help them cut emissions and adapt to climate impacts.

Countries grappling with the damage wrought by climate change-related disasters, such as floods and typhoons, will also be calling for the establishment of a loss and damage facility that will enable them to get funds to rebuild their societies and economies.

With the Intergovernmental Panel on Climate Change warning that climate action is crucial to avert the harshest impacts of climate change, discussions at the annual UN climate change conferences are important for all countries, including Singapore.

Singapore will for the first time be hosting a Singapore Pavilion – essentially a booth showcasing its climate policies – at COP27. The pavilion will highlight the city-state’s innovations for a low-carbon, climate-resilient future and how these solutions can spark green possibilities for other nations.

The Republic has also been called on to facilitate group discussions that have helped negotiators reach agreements on contentious topics by the end of each conference.

At the COP26 conference in Glasgow in 2021, Minister for Sustainability and the Environment Grace Fu and her Norwegian counterpart Espen Barth Eide facilitated a ministerial consultation that helped almost 200 nations reach an agreement on carbon markets.

The technical complexity and political trade-offs involved had resulted in negotiators failing to find common ground on the issue in the preceding three years.

CARBON MARKETS

Carbon markets are key in helping countries such as Singapore with scarce renewable energy meet their climate-change targets.

With nations agreeing on the broad rules for international carbon trading, countries need not solely rely on cutting emissions domestically to meet their targets. After doing their best to reduce emissions, countries can also buy carbon credits from elsewhere to further reduce their carbon footprints.

At COP27, further discussions will flesh out important details of carbon market rules.

A key focus of discussion on carbon markets centres on transparency.

Nations will have to work out how to avoid double counting, to ensure the country selling carbon credits actually transfers the carbon reductions to the buyer country.

To this end, a database will need to be set up to track the movement of such traded credits.

Under the rules on carbon markets agreed at COP26, countries can also buy carbon credits from private developers of carbon credit projects, such as a reforestation project, to go towards meeting their climate pledge.

At COP27, negotiators are expected to hammer out details on how to ensure that this mechanism truly benefits the climate and that there is an overall reduction in emissions.

For Singapore, since it will likely be a buyer of carbon credits, it will need to understand the various mechanisms of the process. If the Republic were to trade credits on carbon marketplaces, it would benefit from knowing how rules are applied to both buyers and sellers.

Hence, a close watch of the developments of international carbon markets is key to Singapore realising its ambition of becoming a carbon services hub.

Singapore’s close connection with South-east Asia, which is rich in nature-based solutions for tackling climate change, makes it well placed to provide services to originate, finance and trade carbon credits in the region and to change regional supply chains.

The country already provides carbon management services and is an attractive carbon credits trading destination for international schemes such as the Carbon Offsetting and Reduction Scheme for International Aviation.

Singapore has also signed multiple agreements on carbon markets with various countries.

Last week, Singapore and Australia signed a Green Economy Agreement, which recognises the importance of carbon markets in helping countries set more ambitious climate targets. In the same week, Singapore and Vietnam signed a carbon credits collaboration agreement, the first to be signed between two Asean member states.

In August, Singapore signed a

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similar agreement with Colombia, and will be working towards the development of a bilateral framework for the transfer of carbon credits.

Singapore has also discussed plans with other countries, including Papua New Guinea – together with Japan – and Indonesia, on research projects that aim to harness the carbon-soaking potential of marine and coastal ecosystems.

CUTTING EMISSIONS

At COP27, countries are expected to step up efforts to reduce emissions by submitting stronger climate targets for 2030.

In Glasgow in 2021, countries were urged to “revisit and strengthen” their 2030 emissions targets by the end of 2022, three years ahead of the original 2025 timeline for ramping up their climate ambition.

Since COP26, only around 20 countries, including COP27 host Egypt, Australia, Indonesia and India, have come forward with new or updated 2030 climate pledges. More are expected to submit updated or enhanced pledges by the end of the year.

However, the energy crisis caused by the Russian-Ukraine conflict threatens the ability of some countries to increase their ambition, as they are forced to restart or consider restarting coal plants to meet their energy needs.

Countries that have not yet communicated long-term strategies, or net-zero targets, have also been urged to do so by COP27.

Currently, only 53 countries have submitted such strategies.

Deputy Prime Minister and Finance Minister Lawrence Wong announced during Budget 2022 that Singapore will raise its ambition to achieve net-zero emissions by or around mid-century. He said the Republic intends to submit a formal revision of the country's long-term strategy to the Paris Agreement later in 2022.

The Paris Agreement is an international treaty on climate action signed in 2015 at COP21.

Singapore made its first update to its climate target to the agreement in March 2020.

ADAPTATION

Singapore has long recognised the importance of adapting to climate change and has adopted various strategies to reduce the impact on its people.

It has, for instance, launched research projects looking at the impact of sea-level rise on its coastlines and invested heavily in water and food security and flash flood prevention.

COP27, being held on the African continent vulnerable to climate change impacts, will also have a strong focus on the need for adaptation and a loss and damage fund.

While mitigation is a key prong of climate action in which countries are encouraged to cut their emissions, adaptation measures, such as building sea walls to keep out rising sea levels, are also crucial.

Developed countries were urged at COP26 to at least double their 2019 finance provision amounts for adaptation by 2025.

As the first African host of COP in six years, Egypt intends to show leadership and urge countries to demonstrate the necessary political will to assist the most vulnerable countries affected by the rapidly changing climate.

COP27 is a milestone that will determine how countries plan to implement and operationalise the Paris Agreement to make the best of this decade.

As it stands, countries are grappling with new Covid-19 variants, energy shortage and rising costs as an effect of Russia's war on Ukraine.

Climate change has the potential to multiply the threat of conflict throughout the world by driving resource competition and amplifying socio-economic inequalities.

A backsliding of climate change targets due to the ongoing crises threatens the world's ability to keep temperature increase to below 1.5 deg C – a cap that will limit the risk of more extreme weather conditions associated with climate change.

Singapore must play its part to make COP27 a success, and help steer countries in this critical decade of action to meet the Paris Agreement's objectives.

• Melissa Low is a research fellow at the National University of Singapore's Centre for Nature-based Climate Solutions and an observer of international climate policy.

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