

Sustainability Weekly

Country Updates

Singapore

- Keppel and Aster have agreed to jointly assess a project to produce sustainable aviation fuel (SAF) from ethanol on Jurong Island, to meet future demand from the aviation sector in meeting decarbonisation targets. The proposed facility is expected to produce up to 100,000 metric tons of SAF per year. Looking ahead, the companies will conduct front-end engineering design for the project before taking a final investment decision, following the completed feasibility study on the technical and commercial viability of the project. SAF demand is projected to rise rapidly, driven by policy mandates and net-zero commitments in the aviation sector.
- Singapore and Rwanda have launched an application call for carbon credit projects under their Implementation Agreement on carbon credits cooperation. This marks Singapore's fourth call for project applications, following earlier calls under bilateral Implementation Agreements with Ghana, Peru and Bhutan. Authorised projects will unlock additional carbon mitigation projects in Rwanda and advance both countries' climate ambitions through targeted financing. These projects can generate carbon credits aligned with Article 6 of the Paris Agreement, which can be used by Singapore-based carbon tax-liable companies to offset up to 5% of their taxable emissions. Demand for Article 6 carbon credits is expected to increase as Singapore's carbon tax rises, with companies in hard-to-abate sectors turning to levers to reduce their residual emissions.

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Indonesia

- The Indonesian government is set to launch a roadmap for decarbonisation in the transportation sector in May 2026. It will outline the government's medium- and long-term strategic measures to reduce carbon emissions across the transportation sector. Several priority efforts include accelerating the drafting and enactment of regulations for the development of the Trans-Sumatra, Trans-Kalimantan, and Trans-Sulawesi railway networks. In efforts to decarbonise air transport, the Coordinating Ministry for Infrastructure and Regional Development is also preparing a presidential regulation on the implementation of sustainable aviation fuel. The use of carbon offset mechanisms within transportation subsectors was highlighted as a complementary tool to support the achievement of national decarbonisation targets.

China

- Growth in China's green finance sector has accelerated over the past decade and currently stands at approximately US\$6.8 trn, driven by a growing body of national policies supporting the sector. China had a record US\$140.6 bn in green bond issuance in 2025, according to Bloomberg. The growth in green financing has also supported China's dominance in green manufacturing, including batteries, solar panels and wind turbines. In October, the PBOC and the country's financial regulators released a new project catalogue to

standardise the rules across green finance products, with the aim of enhancing market liquidity and reducing the costs of identifying eligible green projects.

Weekly Commentary: Enhancing scope 3 emissions reporting capabilities ahead of deadlines

- **ISSB-aligned reporting requirements:** Timelines for implementing climate reporting requirements were extended, to further support companies in developing reporting capabilities and balancing compliance costs. Reporting Scope 3 emissions is mandatory for STI constituent listed companies from FY2026, but remains voluntary for other companies.

Scope 1 & 2 GHG emissions:

- Remains mandatory for all listed companies from FY2025

Scope 3 GHG emissions:

- Mandatory for STI constituent listed companies from FY2026
- Voluntary for other non-STI listed companies until further notice

Other ISSB-based CRD

- Mandatory for STI constituent listed companies from FY2025
- Non-STI listed companies \geq \$1bn market cap from FY2028
- Non-STI listed companies $<$ \$1bn market cap from FY2030

- **Addressing challenges related to emissions accounting and reporting:** Scope 3 emissions accounting and reporting face challenges such as poor data quality and complexity across value chains. SBF's Singapore Emission Factors Registry (SEFR) was expanded ahead of mandatory scope 3 emissions reporting for STI constituent listed companies from FY2026, bringing the total number of emission factors from 94 to 319. The registry now covers all Scope 1 and Scope 2 emissions, as well as four of 15 Scope 3 categories, and serves as a reference for converting business activity data into emissions data.
- **Tapping on government support:** Companies can tap on the Sustainability Reporting Grant to prepare for other ISSB-based climate-related disclosures (CRD) before mandatory compliance sets in.

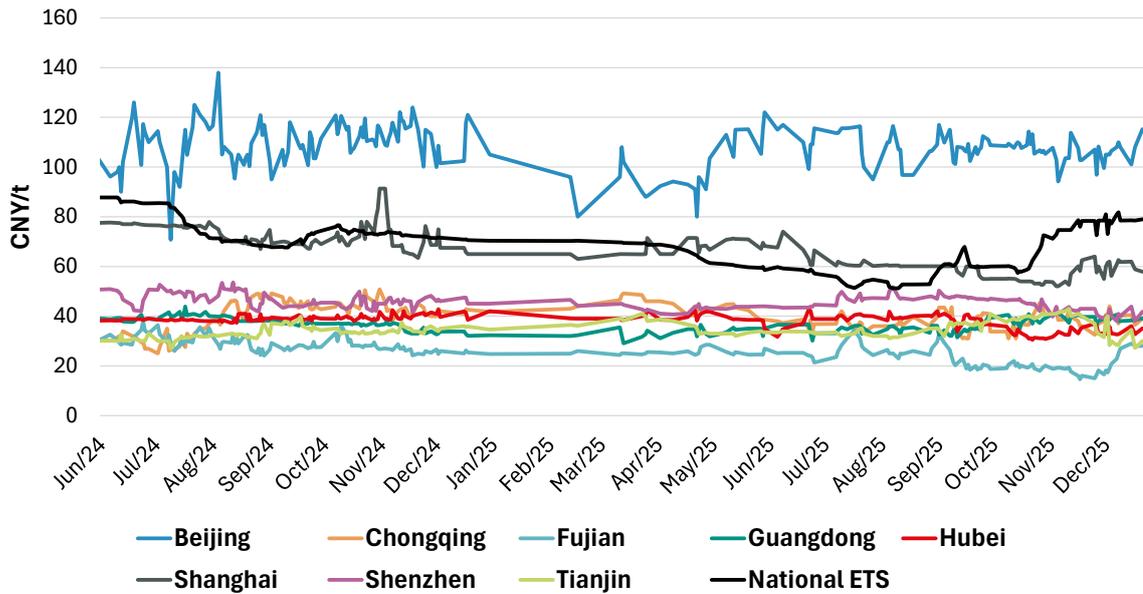
Carbon Markets: Weekly Overview

ETS markets	Price	Weekly change	Week high	Week low
EU ETS (EUR/ton)	81.26	-8.1%	88.40	81.26
China ETS (CNY/ton)	79.00	-2.5%	81.79	78.48

Market	Commentary
EU ETS	<p>EU ETS prices fell by 8% last week and are under ongoing bearish pressure with no clear indication of slowing down yet, amid weak fundamentals and technical indicators. Rising geopolitical tensions also encouraged additional selling.</p>
China	<p>National ETS: CEA price closed the week at CNY79/t, down 2.5% from the previous week. CEA25 remained the primary traded product, accounting for 76.69% of traded volume. The remainder was traded as CEA24.</p> <p>CCER: The CCER market traded 80,310 tonnes, with daily transaction prices ranging from CNY69.30/t – CNY84.00/t. The CCER market still requires increased issuance volumes to generate greater liquidity.</p>

Pilot ETSS: The pilot ETSS recorded a weekly traded volume of 102,028 tonnes. There were no transactions in the Beijing, Shenzhen and Tianjin pilot ETSS. Traded volumes in the Shanghai, Guangzhou, and Hubei pilot ETSS declined from last week, driving the total volume down by 53.47%. Among the pilot ETSS, only Hubei saw a price increase of 7.25% week-on-week. Market activity remained limited as many pilots have yet to announce their annual allowance allocation plans.

National and Pilot Allowance Spot



China

Pilots	Closing price on listed trade (CNY/t)	Weekly change (%)	Weekly volume on listed trade (t)
Beijing	115.19	0.00	-
Chongqing	39.00	0.00	-
Fujian	28.00	0.00	10,000
Guangdong	39.11	-3.81	5,643
Hubei	35.07	7.25	31,385
Shanghai	57.90	-6.31	55,000
Shenzhen	39.90	0.00	-
Tianjin	27.00	0.00	-

Source: LSEG

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