

Sustainability Weekly

Country Updates

Singapore

- A 116km coastline study to protect Singapore's south-west coast from rising sea levels is expected to start later in 2026, with the potential to develop a centralised scheme that will achieve coastal protection for the mainland and part of Jurong Island. The south-west coast is more complex than a typical urban shoreline as it combines major port activity, waterfront industries, critical infrastructure, as well as coastal drains and waterways that open to the sea. It is expected to take six years to develop solutions to prevent coastal and inland floods. These efforts are part of Singapore's climate adaptation measures, which have been signalled as a top national priority this year, with the government designating 2026 as the Year of Climate Adaptation. Singapore's average sea level is projected to rise by up to 1.15m by 2100. In the event of high tides and extreme events like storm surges, sea levels could rise by as much as 5m.
- The Energy Market Authority (EMA) launched a tender for up to three new power plants to support Singapore's growing electricity demand. Singapore's electricity demand has been steadily increasing over the years, partly driven by high demand from industrial and digital sectors, including semiconductors and data centres. Under the request for proposal, the private sector will build, own and operate new hydrogen-ready power plants, comprising one unit to be ready by 2031 and up to two units to be ready in 2032. Each generating unit will be a gas-fired, hydrogen-ready power plant expected to provide at least 600 MW of electricity. EMA said that these new hydrogen-ready plants remain essential for providing sufficient and stable electricity supply to meet demand, while Singapore pursues a diversified portfolio of cleaner energy sources for the longer term. Singapore has plans to have at least nine hydrogen-ready power plants by 2030 to support the country's energy needs.
- The Energy Market Authority (EMA) will conduct a feasibility study on deploying geothermal energy systems in Singapore, as part of EMA's efforts to decarbonise the country's power sector and improve its energy resilience. While Singapore is unlikely to have conventional geothermal energy resources, recent global advances in geothermal technologies have created new opportunities to harness sub-surface heat for power, heating and cooling needs. The feasibility study will assess the technical, environmental and commercial feasibility of deploying next-generation geothermal systems in Singapore. The study builds on an ongoing nationwide non-invasive geophysical survey that EMA said it commissioned in 2024 to identify areas in Singapore with the potential presence of geothermal energy.

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Weekly Commentary: Countries discussed practical steps to phase out fossil fuels, with France presenting a roadmap

- Around 60 governments, including Germany, Canada and Brazil, discussed phasing out fossil fuels at a conference, amid concerns over the Middle East conflict's impact on oil and gas markets. Notably, China, the US and Middle Eastern oil and gas producers were not involved in the discussions at Santa Marta, Colombia. The conference focused on practical steps to shift economies away from fossil fuels to reduce heavy dependency on oil and gas imports, including financial instruments and regulatory incentives to kickstart a phase-out.
- The two-day conference took place outside the United Nations climate talks and reflects a growing impatience with its delay in tackling fossil fuels. Frustration following COP30 led to the creation of the Santa Marta conference, which took place outside the UN process and was co-hosted by Colombia and the Netherlands.
- At the conference, France announced a roadmap to phase out coal by 2030, oil by 2045 and gas by 2050, which also committed to help finance the transition in other countries. It formalises France's existing emissions targets, namely to reduce emissions by 5% a year over the 2024-2028 period with the goal of achieving carbon neutrality by 2050. Currently, France has a low-carbon electricity mix due to its large nuclear fleet, the second largest after the US. Nuclear power accounted for nearly 65% of total electricity production in 2024, according to France's Energy Regulatory Commission.
- This sends a strong signal to other economies to develop clear plans to diversify their energy mix with low-carbon energy sources. However, it also raises questions about transition finance for countries with different energy infrastructures and political contexts, especially countries that are heavily reliant on fossil fuels without many alternative energy sources, highlighting the need for tailored strategies that consider local realities.

Carbon Markets: Weekly Overview

ETS markets	Price	Weekly change	Week high	Week low
EU ETS (EUR/ton)	73.94	-1.3%	75.11	73.20
China ETS (CNY/ton)	79.50	4.3%	79.50	76.22

Market	Commentary
EU ETS	<p>EU ETS prices recorded a 1.3% weekly decrease. Carbon is closely following the developments in the Middle East, with optimism on continued talks of peace in the market. Should a ceasefire be reached, a lowering of the geopolitical risk premium and a boost to the EU ETS market is expected.</p> <p>Trading was subdued on 1 May across most of Europe due to the Labour Day holiday, with volumes at 10.14 mn metric tonnes. Gas-to-coal switching still remains favourable as elevated gas prices keep coal marginal despite ongoing energy market volatility.</p>
China	<p><i>Due to the long public holiday, the weekly overview for China markets will resume in the next publication.</i></p>

Source: LSEG

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