



MOF Occasional Paper

Green Budgeting in Singapore: A Progress Update

January 2025

Executive Summary

1. Climate change has significant interactions with public finances. Governments around the world need to facilitate the carbon transition and adapt nimbly to the effects of climate change, which require significant investments and fiscal resources. At the same time, climate change can cause severe disruptions to human and economic activities, but also holds the promise of creating new economic opportunities. These in turn affect public finances.
2. This Occasional Paper serves as a progress update on the Government's green budgeting and financial policies. The Government will continue to ensure that our approach remains relevant and effective to support our sustainability and climate goals.
3. Singapore unveiled the Singapore Green Plan in 2021, covering sustainability initiatives across all sectors of Singapore that help to achieve our long-term net-zero emissions targets. It is a plan to catalyse whole-of-nation collective action across five pillars: City in Nature, Energy Reset, Sustainable Living, Green Economy, and Resilient Future. This will be enabled by a Green Government and Green Citizenry.
4. Our budgeting framework has been enhanced over the years in tandem with our latest national strategies and targets on climate and sustainability. Specifically, we have adopted green budgeting practices to systematically incorporate environmental sustainability considerations in our financial policies, while ensuring that we remain fiscally sustainable.
5. Our approach to green budgeting seeks to align with international frameworks and best practices, to support the Government's development and implementation of climate-sensitive or environmentally-friendly policies. At the same time, we have designed our green budgeting approach to be efficient and fit-for-purpose, to keep the administrative cost and burden manageable. This principled yet pragmatic approach represents a reasonable way forward, and we make continuous improvements in light of experience.
6. Singapore has put in place a supportive ecosystem to encourage and incentivise sustainability across the whole-of-society. For instance, we have implemented a carbon tax to right-price carbon, and shape business decisions and consumer behaviour. The carbon tax revenue can then help to fund decarbonisation efforts and the transition to a green economy.
7. Singapore proactively manages climate-related risks in our development plans and budgets for climate mitigation and adaptation measures. To ensure that Singapore is well-prepared to deal with climate change, we have made long-term plans, and deployed fiscal measures to ensure we have the resources to turn these medium- to long-term plans into reality.
8. The Government expects to commit over S\$10 billion in fiscal spending in the decade up to FY2030, under the Singapore Green Plan. Beyond the Green Plan, there will also be significant additional areas of spending in carbon mitigation and adaptation, for which the plans are still being developed. We have introduced various fiscal tools to fund such sustainability measures beyond 2030, including the use of green bonds and the establishment of the Coastal and Flood Protection Fund and Future Energy Fund to save for these needs.
9. Singapore reports our environmental performance in a transparent manner to provide public accountability, through various publications and platforms, like the GreenGov.SG report and this Occasional Paper. We will continue to enhance our approach and practices in green budgeting.

Singapore's Approach to Green Budgeting

STAGE 1



Strategic Planning

Climate objectives and targets

- Aim to achieve net zero emissions by 2050
- Launched the Singapore Green Plan 2030
- Inter-Ministerial Committee on Climate Change (IMCCC) enhances Whole-of-Government coordination on climate change

Supportive ecosystem for sustainability

- Incentives for sustainable practices: taxes rather than subsidies for the use of fossil fuels, carbon tax, financial incentives to adopt sustainable practices
- Policy frameworks to set high standards for sustainable finance: Singapore Green Bond Framework, Singapore-Asia Taxonomy
- Support for sustainability disclosures: issuance of climate reporting requirements and support to defray costs of sustainability reporting

STAGE 2



Budget Preparation

Fiscal planning for climate risks

- Proactively manage climate risks in development plans and account for climate risks on our revenue and expenditure
- Budget for the associated fiscal costs to mitigate and adapt to climate change

Financial resourcing and investment

- Commit over S\$10 billion in fiscal spending in the decade up to FY2030 under the Singapore Green Plan
- Introduced fiscal tools to fund longer-term sustainability-related expenditures: carbon tax, green bonds, and set-up of Funds to meet future needs
- Investment entities consider the impact of climate change on their investments

STAGE 3



Execution & Accounting

Project evaluation

- Account for carbon impact of public sector development projects
- Conduct Environmental Impact Assessments for qualifying development projects

Project implementation

- Recognise suppliers or solutions that are more environmentally sustainable as part of evaluation criteria
- Incorporate environmental sustainability considerations in all government procurement by 2028

STAGE 4



Governance & Control

Performance measurement and reporting

- National Communication and Biennial Transparency Report submitted to the United Nations Framework Convention on Climate Change
- Annual GreenGov.SG report on the public sector's environmental performance
- Annual reports on the allocation and impact of green bonds issued

Governance and oversight

- IMCCC provides oversight over progress towards climate targets
- Green Plan ministries provide updates during the annual Committee of Supply

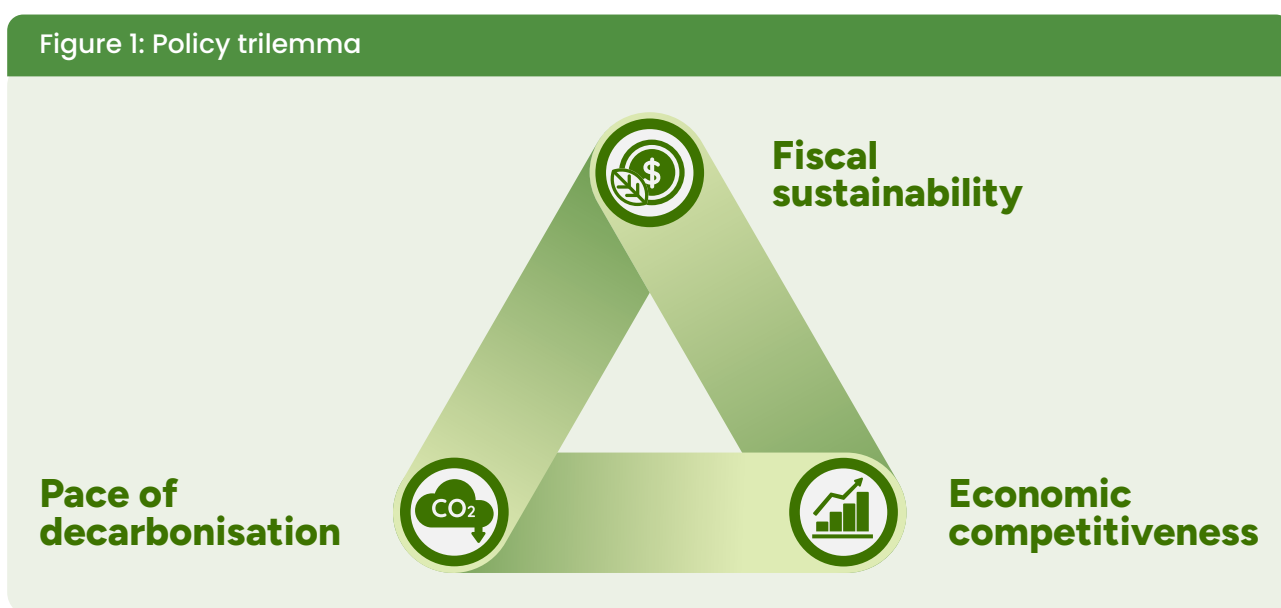
■ Contents

Executive Summary	2
1. Introduction	5
2. Singapore’s Approach to Green Budgeting	7
Stage 1 : Strategic Planning	7
Climate objectives and targets	7
Supportive ecosystem for sustainability	9
Stage 2 : Budget Preparation	11
Fiscal planning for climate risks	11
Financial resourcing and investment	12
Stage 3 : Execution and Accounting	14
Project evaluation	14
Project implementation	14
Stage 4 : Governance and Control	15
Performance measurement and reporting	15
Governance and oversight	16
3. Conclusion	16

1. Introduction

- 1.1. Climate change has significant interactions with the macroeconomy and public finances. Governments globally are facing tremendous fiscal pressures as they grapple with the urgent task of funding the low carbon transition to meet commitments under the Paris Agreement and securing a more climate-resilient future. At the same time, climate change can cause severe disruptions to human and economic activities but also holds the promise of creating new economic opportunities. These in turn affect public finances.
- 1.2. Governments face the trilemma of balancing between the pace at which we pursue decarbonisation, the impact on economic competitiveness, and ensuring fiscal sustainability (Figure 1). There is a need to balance these trade-offs while allocating finite resources to competing priorities. This is made more acute by technological uncertainty and high costs of decarbonisation pathways.

Figure 1: Policy trilemma

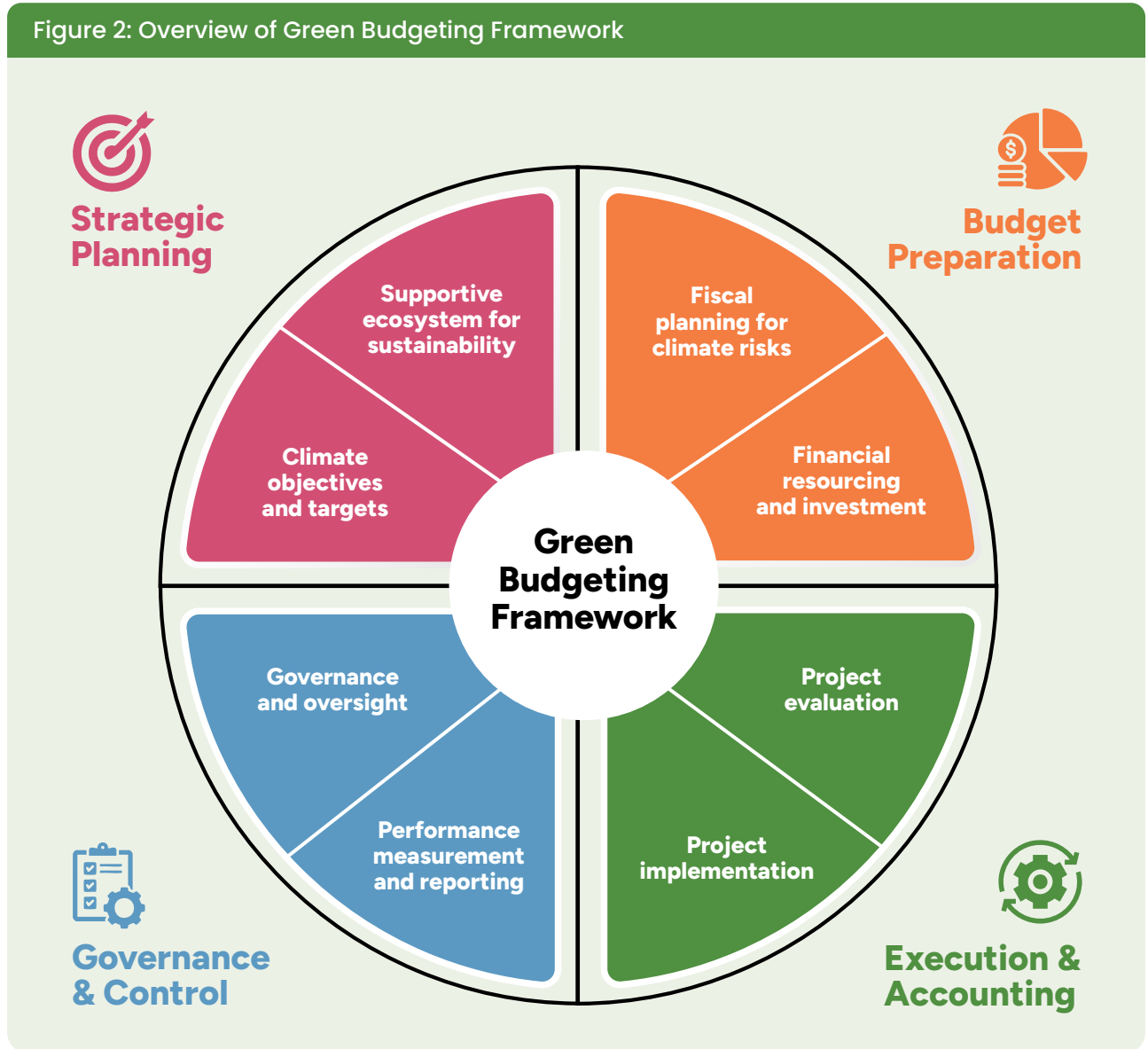


- 1.3. It is important, now more than ever, for governments to incorporate sustainability considerations in the management of public finances, to ensure budgets are aligned with national climate and sustainability strategies. Finance serves as a crucial lever to support governments' climate goals, and enable a whole-of-society transformation to achieve optimal sustainability outcomes. If done well, climate mitigation and adaptation can create economic and social benefits.
- 1.4. Singapore is continually improving our approach so that our budgeting frameworks are consistent with and support our national strategies for sustainability. This Occasional Paper outlines the Government's overall approach to green budgeting.
- 1.5. The Government has incorporated sustainability considerations as part of our fundamental budgeting approach, to ensure that public finance is managed in an optimal manner to achieve better sustainability outcomes.

1.6. Figure 2 illustrates our Green Budgeting framework, which depicts how green considerations are embedded within our usual budgetary processes, across four stages:

- a. Strategic Planning
- b. Budget Preparation
- c. Execution & Accounting
- d. Governance & Control

The Framework is developed with reference to international green budgeting frameworks and practices, such as by the IMF¹ and the OECD².



¹ IMF's Green Public Financial Management Framework (<https://www.imf.org/en/Publications/staff-climate-notes/Issues/2021/08/10/Climate-Sensitive-Management-of-Public-Finances-Green-PFM-460635>).

² OECD Paris Collaborative on Green Budgeting (<https://www.oecd.org/environment/green-budgeting>).

2. Singapore's Approach to Green Budgeting

Stage 1: Strategic Planning

Climate objectives and targets

- 2.1. Singapore has set climate targets and raised our climate ambition steadily over the years. These publicly communicated targets provide high-level strategic direction for our efforts, in alignment with the Paris Agreement.
- As part of our 2030 Nationally Determined Contribution (NDC), we aim to reduce emissions to around 60 million tonnes of carbon dioxide equivalent (MtCO₂e) in 2030 after peaking earlier.
 - Under our Long-Term Low-Emissions Development Strategy (LEDS), we aim to achieve net zero emissions by 2050. The public sector will take the lead, by targeting to achieve net zero emissions by around 2045.
- 2.2. To enhance Whole-of-Government coordination on climate change policies, the Inter-Ministerial Committee on Climate Change (IMCCC) was set up in 2007, with various committees and workgroups overseeing specific climate-change related issues ([Figure 3](#)). This arrangement enables the Government to make sure our national efforts on climate change are comprehensive and coordinated.

Figure 3: Whole-of-Government Governance Structure for Climate Change



- 2.3. The Government launched the Singapore Green Plan 2030 in 2021. The Green Plan charts ambitious and concrete targets with the aim to strengthen Singapore's economic, climate and resource resilience, improve the living environment of Singaporeans, and bring new business and job opportunities. This whole-of-nation initiative to realise our sustainability goals requires multi-stakeholder efforts across the Government, businesses, communities and individuals.
- 2.4. We have achieved good sustainability outcomes in various pillars under the Green Plan thus far ([Table 1](#)), and we will push on with our green budgeting efforts to advance our environmental and climate goals.

Table 1: Outcomes under Singapore Green Plan 2030

Pillars	Progress
City in Nature	<ul style="list-style-type: none"> Planted over 730,000 trees under the OneMillionTrees movement.
Sustainable Living	<ul style="list-style-type: none"> 70-80% reduction in disposable carrier bags provided by obligated supermarket operators in the first year following the introduction of the Disposable Carrier Bag Charge in July 2023. Expanded cycling path network to about 580km. As of 1 December 2024, S\$70 million worth of Climate Vouchers under the enhanced Climate Friendly Household Programme have been utilised to help households switch to resource-efficient appliances.
Energy Reset	<ul style="list-style-type: none"> Close to three times new EV car registration from 2022. Over 1 in 2 HDB carparks are now equipped with EV chargers. Deployment of over 1GWp of solar power.
Green Economy	<ul style="list-style-type: none"> Launched efficiency grants, financing schemes and sustainability reporting schemes to support companies in their sustainability journey.
Resilient Future	<ul style="list-style-type: none"> Commenced site-specific studies on coastal protection for City-East Coast, Jurong Island, and the North-West Coast of Singapore. Launched the S\$60 million Agri-Food Cluster Transformation (ACT) Fund, the Singapore Aquaculture Plan and committed over S\$300 million under the Singapore Food Story (SFS) Research & Development Programme to support local farms in building their capability and capacity. Better matching of demand and supply through the Singapore Agro-Food Enterprises Federation Limited (SAFEF) leading to the development of brands "The Straits Fish" and the "SG Farmer's Market" for locally farmed marine tilapia and vegetables respectively. Launched the Heat Stress Advisory in 2023 to guide the general public on minimising heat-related illnesses.
Green Government	<ul style="list-style-type: none"> Published the second GreenGov.SG report, outlining the public sector's FY2023 environmental sustainability performance in November 2024. The public sector's FY2023 emissions saw a 6.8% decrease compared to FY2020 levels. The public sector's Energy Utilisation Index (EUI), Water Efficiency Index (WEI) and Waste Disposal Index (WDI) each recorded some improvement compared to their baseline years.
Green Citizenry	<ul style="list-style-type: none"> The Green Action for Communities (GAC) movement brought together community leaders and residents to plan, organise and co-implement sustainability initiatives in local communities. As of December 2024, the SG Eco Fund has awarded S\$13.3 million to over 300 individuals, groups and organisations. The fund has empowered grant recipients to initiate projects which span diverse topics such as food resilience, waste reduction, and the conservation of nature and biodiversity. The annual Go Green SG was launched in June 2023 as a national movement to rally the community to take collective action towards a more environmentally sustainable and climate-resilient Singapore. The 2024 edition saw 51,000 participants engage in around 400 sustainability-related activities, organised by 200 committed partners from the People, Public and Private (3P) sectors.

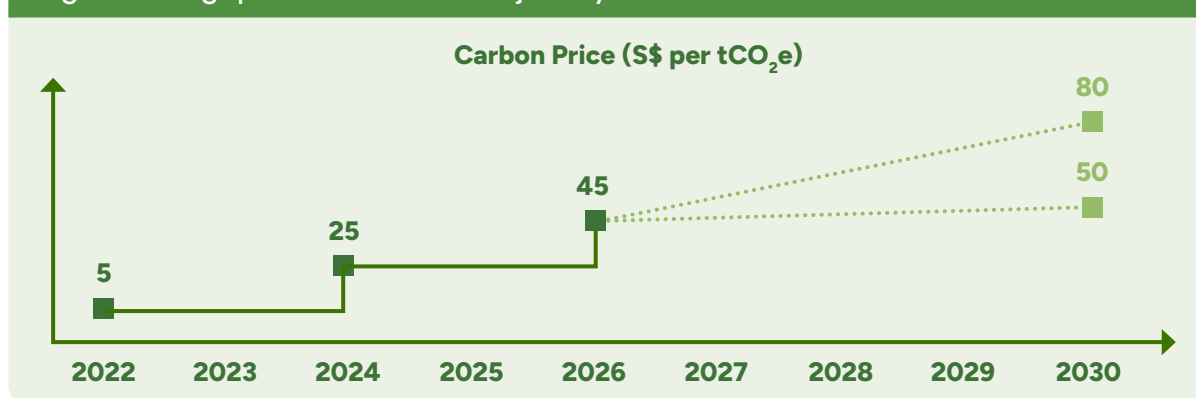
Supportive ecosystem for sustainability

2.5. In support of our national climate goals, we have put in place a supportive ecosystem to encourage sustainability across the whole of society. This includes: (a) creating the right incentives to encourage sustainable practices, (b) establishing policy frameworks to set high standards for sustainable finance, and (c) supporting sustainability disclosures.

a. Right incentives for sustainable practices

- Singapore sets the right incentives for businesses and individuals. For example, we do not subsidise the use of fossil fuels and instead tax them to reflect their negative externalities.
- Singapore was the first country in Southeast Asia to introduce a carbon tax in 2019. The carbon tax provides an economic signal to steer businesses and households towards reducing their carbon footprint and facilitates development and adoption of low-carbon solutions.
 - The carbon tax level was set at S\$5 per tonne of carbon dioxide equivalent (tCO₂e) for the first five years from 2019 to 2023 and raised to S\$25/tCO₂e in 2024. The carbon tax will be further raised to S\$45/tCO₂e in 2026, with a view to reach S\$50-80/tCO₂e by 2030 (Figure 4).

Figure 4: Singapore's carbon tax trajectory



- We aim to implement our carbon tax in an efficient manner without overly onerous administrative burden.
 - The carbon tax was first introduced at S\$5/tCO₂e to provide a transitional period for companies to adjust, for example by upgrading to energy-efficient equipment.
 - We balance comprehensiveness of emissions coverage with administrative load by applying carbon tax on large direct emitters (i.e. those that emit at least 25,000 tonnes of greenhouse gas (GHG) annually). 80% of our total emissions are covered by carbon tax and fuel excise duties on our transport fuels. Of this, 70% is covered by the carbon tax and this coverage is one of the most comprehensive globally.³

³ Singapore's carbon tax covered around 80% of our total national emissions at the point of introduction. The coverage each year is subject to changes in emissions from taxable and non-taxable sources that constitute Singapore's national greenhouse gas (GHG) inventory.

In November 2024, we formalised our accounting methodology for hydrofluorocarbon (HFC) emissions from the Refrigeration and Air Conditioning (RAC) sector and included these emissions in our GHG inventory, in accordance with the United Nations Framework Convention on Climate Change (UNFCCC) and Intergovernmental Panel on Climate Change (IPCC) guidelines. Due to this rebasing, Singapore's carbon tax coverage for 2022 emissions fell to around 71% from 76%.

The Singapore government has implemented measures since 2020 to reduce GHG emissions from the use of HFC refrigerants in the RAC sector, such as banning the supply of RAC equipment that use high Global Warming Potential refrigerants. We will continue to review our RAC HFC mitigation policies to ensure they remain fit for purpose and effective in meeting our climate targets.

- o The Government does not expect to derive additional net revenue from the carbon tax up to 2030, given the anticipated spending to fund decarbonisation efforts and the transition to a green economy.
 - The Government has collected around S\$1 billion of carbon tax revenue in total for the first five years (FY2020 to FY2024).
 - In comparison, we estimate that we would have spent more than S\$2 billion under the Singapore Green Plan from FY2021 to FY2024.
- The Government provides various financial incentives to encourage businesses to adopt sustainable practices. For example:
 - o The Government supports enterprises in obtaining green financing, to embark on and accelerate their sustainability journey through the Enterprise Financing Scheme-Green (EFS-Green). The EFS-Green provides risk-sharing of 70% to catalyse lending to qualified Singapore enterprises.
 - o The Government also provides direct grants for companies to implement green initiatives, such as co-funding through the Energy Efficiency Grant and Resource Efficiency Grant for Emissions.

b. Policy frameworks to set high standards for sustainable finance

- Supporting standardisation in definitions of project eligibility and transparency in how the capital raised is used to support sustainable developments would instil confidence in investors and help direct financial flows to sustainable activities.
- Building on efforts to anchor Singapore as a green finance hub for the region, the Monetary Authority of Singapore (MAS) launched the Singapore-Asia Taxonomy (SAT) to provide credible definitions for green and transition activities that contribute to climate change mitigation across eight focus sectors. The Government has taken the lead to adopt the taxonomy and demonstrate its use case.
- The Government has updated the Singapore Green Bond Framework⁴ to align with the SAT to demonstrate the Government's continued commitment to high-quality public sector green bond issuances. Public sector projects will have to meet prevailing criteria for investment, and additionally meet green thresholds under the taxonomy in order to qualify for green bond financing. The Government targets to issue up to S\$35 billion of public sector green bonds by 2030.

c. Support for sustainability disclosures

- Companies must also do their part for sustainability, and are increasingly expected by suppliers, customers and financiers to measure, manage, and disclose their GHG emissions. To help them remain competitive amidst the green transition, the Government is supporting companies in their sustainability reporting journey.
 - o From FY2025, all listed issuers will be required to report based on local prescribed standards aligned to the International Sustainability Standards Boards (ISSB).

⁴ <https://go.gov.sg/greenbonds>

- o This requirement will be extended to large non-listed companies from FY2027. The Government has introduced the Sustainability Reporting Grant to help listed and large non-listed companies get started early on their ISSB-aligned reports.
- o For local non-listed SMEs, EnterpriseSG has partnered service providers to help SMEs prepare their first sustainability reports more affordably.
- The Government has taken the lead in sustainability disclosure by publishing the GreenGov.SG report since 2023, a whole-of-government sustainability report that covers the public sector’s environmental performance. We are the first country in Asia, and among the first in the world, to do so.

Stage 2: Budget Preparation

Fiscal planning for climate risks

2.6. Singapore adopts a long-term perspective in our fiscal planning. We recognise that climate change is an existential issue that needs to be planned for as a long-term fiscal need. Hence, we proactively manage climate risks in our development plans and budget for the associated fiscal costs to mitigate and adapt to climate change.

2.7. We evaluate the impact of various climate risks on Singapore’s fiscal position, namely physical risk (i.e. relating to the physical impacts of climate change) and transition risk (i.e. relating to the transition to a low-carbon economy) ([Table 2](#)).

Table 2: Indicative impact of climate-related risks on public finance		
	Revenue	Expenditure
Physical risks	Lower productivity and income due to adverse effects of climate change	Higher spending to defend against and respond to the physical effects of climate change (e.g. flooding)
Transition risks	Lower fuel excise duties	Higher spending to decarbonise energy system and economy

2.8. Physical risks are overseen by the Resilience Working Group (RWG) under the IMCCC. The RWG studies Singapore’s vulnerability to the effects of climate change and develops long-term plans that ensure the nation’s resilience to environmental changes in areas such as coastal protection, public health and food security. The adaptation measures and contingency plans developed, and their corresponding fiscal costs are taken into account in our fiscal planning. For instance, coastal protection measures and their costs are regularly reviewed to take into account latest sea-level projections.

- 2.9.** Transition risks include an expected increase in fiscal spending on carbon mitigation measures due to the significant investments required for critical energy infrastructure and low-carbon technology and solutions. They also include the economic risks associated with the transition to a low-carbon economy, such as potential loss of competitiveness in the short term. The Carbon & Energy Transition Working Group (CETWG) under the IMCCC oversees the development, implementation and tracking of progress for carbon mitigation measures, while the Economic Transition Working Group (ETWG) oversees the development of transition strategies and plans.
- 2.10.** The transition to cleaner energy sources will also be accompanied by a fall in certain tax revenues, such as fuel excise duties (which currently yields around S\$1 billion per year). The Government's vehicular tax structure will also have to evolve in view of the transition away from internal combustion engine vehicles towards electric vehicles.
- 2.11.** To ensure that Singapore is well-prepared to deal with climate risks in the future, we have made long-term plans, and deployed fiscal measures to ensure that we have the resources to turn these medium- to long-term plans into reality as explained in the following section.
- 2.12.** At the same time, we recognise that our response to climate change can also create new economic opportunities and jobs. To help our enterprises, workers and educational institutions prepare for the future, the ETWG coordinates and develops plans for the growth of Singapore's green economy. These include training and re-skilling plans for our workforce.

Financial resourcing and investment

- 2.13.** Singapore has set aside significant fiscal resources for climate mitigation and adaptation, and will continue doing so to secure a more resilient future.
- Under the Singapore Green Plan, we estimate that we would have spent more than S\$2 billion from FY2021 to FY2024. In total, we expect to commit⁵ over S\$10 billion in fiscal spending in the decade up to FY2030. Some examples of initiatives include the Tuas Nexus⁶ (~S\$6 billion) and cycling paths (~S\$1 billion).
 - Beyond the Green Plan, there will also be significant additional areas of spending in carbon mitigation and adaptation, for which the plans are still being developed.
- 2.14.** The Government has introduced various fiscal tools to ensure that we are able to meet our financial needs for climate action, to fund longer-term expenditures even beyond 2030.
- Introduce the carbon tax which helps to fund decarbonisation efforts and support the transition to a green economy.

⁵ While the Government expects to commit up to S\$10 billion of fiscal expenditure by FY2030 under the Green Plan, actual budgetary cash outflow may occur after FY2030 depending on progress of the projects.

⁶ The Tuas Nexus is the world's first integrated waste and water treatment facility to meet Singapore's long-term solid waste management and water treatment needs. By harnessing the synergies from the Tuas Water Reclamation Plant (WRP) and the Integrated Waste Management Facility (IWMF), the facility will be fully energy self-sufficient.

- b. Borrow through green bonds under the Significant Infrastructure Government Loan Act (SINGA) to finance green nationally significant infrastructure projects, to spread the costs equitably across the generations that will directly benefit from these measures.
 - As of January 2025, the Government has issued S\$9.2 billion of green bonds to finance the expansion of our electric rail network.
- c. Establish Funds when fiscal conditions permit.
 - Coastal and Flood Protection Fund (CFPF) for coastal protection measures to protect Singapore against rising sea levels, which is estimated to cost more than S\$100 billion over the next 100 years. We have made an initial S\$5 billion injection into the CFPF.
 - Future Energy Fund (FEF) to invest in critical infrastructure needed for the energy transition, such as undersea cables to import low-carbon electricity and new hydrogen terminals and pipelines. We have made an initial S\$5 billion injection into the FEF.

2.15. Investment returns of our financial reserves supplement the annual Budget through the Net Investment Returns Contribution (NIRC). While the Government does not direct the individual investment decisions of its investment entities, nor prescribe climate and sustainability outcomes, the Government expects the investment entities to take into account the impact of climate change on their investments. GIC, MAS, and Temasek integrate sustainability considerations in their investment processes.

GIC places sustainable investing as one of its strategic priorities. To capture opportunities and manage risks arising from global decarbonisation efforts, GIC has adopted three main approaches: (i) direct capital to green solutions and enablers; (ii) support transition efforts by companies through active engagement; and (iii) manage risks from assets that face high stranding risks.

MAS integrates climate considerations into its investment framework to assess risks and opportunities, and uses climate scenario analysis to guide its actions. To build a climate-resilient portfolio, MAS invests in transition opportunities and climate solutions, tilts a portion of its equities portfolio towards companies more aligned with the low-carbon transition, and divests from companies assessed to be exposed to significant risk of an accelerated transition. MAS also sets stewardship principles and expectations for external fund managers, who work with portfolio companies to progress in the transition.

Temasek is committed to embedding sustainability at its core. Temasek deploys capital to catalyse solutions and contribute towards the transition to a net zero carbon economy. Temasek has also integrated an Environmental, Social, and Governance (ESG) framework across its investment process from pre-investment due diligence to post-investment engagement.

Stage 3: Execution and Accounting

Project evaluation

- 2.16.** We incorporate sustainability considerations into our public finance decision-making processes. However, it does not mean that a budget proposal will automatically receive funding for being green, as all funding proposals are subject to trade-off considerations (see [Figure 1](#) on the policy trilemma). In implementing such guidelines, we balance our requirements against the administrative burden by targeting the more material expenditure items.
- 2.17.** We account for the carbon impact of public sector development projects that are of significant cost or which produce significant emissions, to inform our budgeting decisions.
- Such projects are required to conduct cost-benefit analysis (CBA) to ensure value-for-money, and the carbon impact of the project needs to be considered as part of the CBA.
 - The carbon impact of the project is sized by estimating the cost required to abate the additional emissions from the project at the national level, in line with Singapore's climate objectives and targets⁷.
 - The cost of abating the additional emissions is regularly updated to account for latest developments (e.g. advancements in technology). This ensures the latest available information is incorporated for decision-making.
- 2.18.** Environmental Impact Assessments (EIA) are conducted for qualifying development projects, such as those near or within environmentally sensitive areas or with potential trans-boundary impact.
- Environmental study findings are carefully considered by the technical agencies in consultation with nature and community stakeholders, and these reports are publicly available online, unless there are specific reasons to maintain confidentiality.
 - Developers need to put in place mitigation measures and monitoring plans to minimise environmental impact before the commencement of any works.

Project implementation

- 2.19.** The Government incorporates environmental sustainability considerations into various stages of its procurement processes with the aim to reduce the public sector's environmental impact, encourage our suppliers to provide more environmentally sustainable solutions and drive the adoption of environmentally sustainable practices in Singapore.

⁷ This is sometimes also referred to as a "shadow carbon price".

- a. We require suppliers and developers, or the solutions that we procure to meet certain minimum environmental sustainability standards (e.g. all new Government buildings to attain the Green Mark (Super Low Energy Buildings) standard) or to fulfil certain environmental sustainability considerations (e.g. the need to conduct EIA for qualifying development projects). Since 2007, the Government has incorporated environmental sustainability considerations for nine categories of goods and services that we procure⁸;
- b. We recognise suppliers or solutions that are more environmentally sustainable as part of our evaluation criteria. For instance, we are setting aside up to 5% of evaluation points for environmental sustainability considerations for large construction and information and communications technology equipment tenders from January 2025.

2.20. Our eventual goal is to have all government procurement tenders include environmental sustainability considerations by 2028 in a manner that takes into account industry developments.

Stage 4: Governance and Control

Performance measurement and reporting

- 2.21.** Singapore tracks and reports environmental metrics to ensure progress of our efforts and provide public accountability. The Government regularly reviews such performance to keep track of our progress towards climate commitments, which in turn helps to inform budget priorities.
- a. As a non-Annex I Party to the UNFCCC, Singapore submits our National Communication (NC) every four years, and our Biennial Update Report (BUR) / Biennial Transparency Report (BTR) every two years. We submitted our final BUR in November 2022, and our first BTR on 11 November 2024.
 - b. The Ministry of Sustainability and the Environment publishes the GreenGov.SG report annually to provide a snapshot of the public sector's performance on greenhouse gas emissions, energy consumption, water use and waste disposed of.
 - c. To complement the GreenGov.SG report, all Statutory Boards are required to publish annual environmental sustainability disclosures, starting from FY2024 onwards.
 - d. The Ministry of Finance publishes annual green bond reports, to inform investors and other financial market participants on the allocation and impact of green bonds issued by the Government, as well as progress updates on other public sector green bonds.

⁸ The nine categories are (1) Accommodation and event venue, (2) Building design and products, (3) Electrical and electronic equipment, (4) Information and communications technology (ICT) equipment, (5) Landscaping, (6) Printing paper, (7) Public waste collection and cleaning services, (8) Vehicles, (9) Water fittings and equipment.

Governance and oversight

- 2.22. The IMCCC provides oversight of Singapore’s progress towards our climate targets, and takes the lead on Whole-of-Government coordination on climate change policies to ensure that Singapore is prepared for the impacts of and opportunities presented by climate change.
- 2.23. The first Government Chief Sustainability Officer (GCSO) was appointed in January 2023 to better drive our public sector’s sustainability efforts. The GCSO works with public agencies to develop plans aimed at realising a sustainable, resource-efficient and climate-resilient Singapore, and spearheads the government’s partnership with various stakeholders, including businesses, civil society partners and individuals. The GCSO also partners the Chief Sustainability Officers of public agencies to develop and coordinate strategies for GreenGov.SG, and facilitate annual GreenGov.SG reporting through the GreenGov.SG Steering Committee.
- 2.24. Our green budgeting processes are subject to the same parliamentary processes for our fiscal frameworks, and relevant Ministries will provide annual progress updates on the Singapore Green Plan 2030 during the Committee of Supply.

3. Conclusion

- 3.1. Our Green Budgeting framework and practices have helped to ensure Singapore’s fiscal and budgeting policies support our sustainability efforts and climate commitments. We also strive to keep our green budgeting processes relevant and effective, without unduly imposing administrative burden and cost.
- 3.2. This reflects our commitment to sound economic principles and long-term orientation in fiscal policy, and to align incentives, plan ahead for our spending needs and address fiscal risks on the horizon.
- 3.3. The Government will continue to review and adjust our green budgeting practices, taking reference from international best practices, to enable sustainable development for a greener and more liveable Singapore, for the benefit of current and future generations of Singaporeans.