

## Summary

### 1. Public policy

- MAS Managing Director Menon appointed Chair of the NGFS
- Asian Green Bond Fund launched by the Bank for International Settlements
- SGX: Enhanced Disclosures on Climate-Related Information from 2023
- Singapore's FY2022 budget: several measures to foster the green transition
- 12 Core Skills in Sustainable Finance set up by IBF/MAS
- WMI to train 1,000 professionals in sustainable finance/ESG over the next 3 years
- First tender round for green electricity imports in Singapore
- Solar panels progressively installed on HDB roofs, 6<sup>th</sup> tender launched last year
- Moratorium on new Data Centre capacity through an allocated quota system
- Philippines to issue a first green bond

### 2. Financial industry

- UOB: Sustainable finance target for 2025 raised to USD 30bn
- DBS: SGD 100 Million funding to Social Enterprises through its Foundation
- New Sustainability Officer named by DBS
- Eurazeo completes 2<sup>nd</sup> closing of Smart City II with new partners in ASEAN
- FinTech STACS Partnering with CSOP AM as Blockchain Platform Provider

### 3. Corporates

- Airbus, CAG and CAAS to study potential for hydrogen hub in Singapore
- Singapore Airlines to buy renewable fuels from Exxon Mobil
- Asia's decarbonization push expected by Schneider Electric
- BNP Paribas' support in Vingroup's first international green syndicated loan

### 4. Miscellaneous

- Green Bond sales to surge in Asia-Pacific as region embraces decarbonization
- ADB calling for more financing into ocean health improvement
- G20: Sustainable finance among six priorities set by Indonesia in 2022

## 1. Public policy

### **MAS Managing Director Menon appointed as Chair of the NGFS**

Mr Ravi Menon, Managing Director of the Monetary Authority of Singapore (MAS), has been appointed Chair of the Network for Greening the Financial System on January 17<sup>th</sup> for a 2-year term. MAS is one of the eight founding members of the NGFS, which comprises 105 central banks globally and plays a leading role to steward the financial sector towards a sustainable economy. [Source](#)

### **Asian Green Bond Fund launched by the Bank for International Settlements**

On February 25<sup>th</sup>, the Bank for International Settlements (BIS) launched a new fund for investments in Asian green bonds. This fund is open globally to central banks and invests in USD denominated green bonds issued in Asia to promote green financing of environmentally friendly projects. Investments could be extended to local currency denominated green bonds and transition bonds at a later stage. This fund comes in addition to two others funds launched since 2019, that will represent altogether a total of 3.5 billion USD. [Source](#)

### **SGX: Enhanced Disclosures on Climate-Related Information from 2023**

Singapore's financial markets regulator, SGX RegCo, announced on December 15<sup>th</sup> a climate reporting obligation for listed companies, in accordance with the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures). From 2022, companies listed on SGX will have to provide climate reporting on a 'comply or explain' basis in their extra-financial report from the financial year (FY) 2022. This climate reporting will be made mandatory for companies operating in the i) finance, ii) agriculture, food, agroforestry and ii) energy sectors from fiscal year 2023. [Source](#)

### **Singapore's 2022 budget: several measures to foster the green transition**

At FY2022 Budget Statement on February 18<sup>th</sup>, Minister for Finance announced various sustainable measures, such as: i) raise of Singapore's target of net zero emissions "by or around mid-century"; ii) carbon tax increase from SGD 5 per tonne currently to SGD 25 in 2024, SGD 45 in 2026, and SGD 50 to SGD 80 by 2030; iii) the issuance of SGD 35 bn of public sector green bonds by 2030. [Source](#)

### **12 Core Skills in Sustainable Finance set up by IBF/MAS**

The Institute of Banking and Finance Singapore (IBF) and the Monetary Authority of Singapore (MAS) have chosen 12 core skills required for professionals to perform in sustainable finance. The 12 competencies include, among others, taxonomy application, carbon markets and decarbonisation strategies management and impact indicators, measurement and reporting. [Source](#)

### **WMI to train 1,000 professionals in sustainable finance/ESG over the next 3 years**

Singapore's Wealth Management Institute (WMI) announced on February 9<sup>th</sup> that it would train 1,000 professionals in sustainable finance and ESG (Environmental, Social and Governance) in the next 3 years. Asset and wealth managers, as well as family offices, are targetted. Online and physical ESG education programs will be launched in the coming months by the institute. [Source](#)

### **First tender round for green electricity imports in Singapore**

Singapore's Energy Market Authority (EMA) launched a tender in November 2021 to grant import licenses for green electricity. Singapore has set ambitious goals in terms of energy transition. The city-state aims in particular to import 30% of its energy mix in the form of so-called "green" electricity (solar, wind, etc.) by 2035. Singapore has few areas suitable to the setup of solar panels or wind turbines. The goal of this RFP is to award operators licenses to secure the production and import of energy from green springs potentially located outside its territory. The project, with a capacity of up to 1.2 gigawatts, should be completed in 2027. [Source](#)

### **Solar panels progressively installed on HDB roofs, 6<sup>th</sup> tender launched last year**

Launched in 2014, the SolarNova program is part of public efforts led by the Economic Development Board ('EDB') and the Housing Development Board ('HDB') to develop solar photovoltaic (PV) systems in Singapore. The SolarNova program will generate an estimated solar energy production of 420 GWh per year which makes 5% of Singapore's total energy consumption. Last year, HDB launched the 6<sup>th</sup> phase of this program to install solar panels on roughly 1,200 buildings and 57 government sites for a capacity of 70MWp. [Source](#)

### **Moratorium on new Data Centre capacity through an allocated quota system**

Singapore's authorities have announced their intention to lift the moratorium on new Data Centre capacity through an allocated quota system. Interested parties will have to respond to an RFP with an emphasis placed on energy efficiency and sustainability. Noteworthy will Keppel Corp's intention to develop a near-shore floating DC project where power could eventually come from hydrogen fuel and cooling through natural sea waters. Banks will have to stay abreast on such innovations when it comes to project financing and bankable structures. [Source](#)

### **Philippines to issue a first green bond**

Philippines have launched on January 13<sup>th</sup> 2022 a Sustainable Finance Framework in order to support its sustainability commitments aiming at reducing greenhouse gas emissions by 75% by 2030. Vigeo Eiris has been hired to provide second opinion on the framework. Later in February, Philippines' Finance Secretary Carlos Dominguez announced that the government is about to issue in the coming weeks a benchmark USD 500mn ESG bond. [Source](#)

## **2. Financial industry**

### **UOB: Sustainable finance target for 2025 raised to USD 30bn**

Singapore's bank UOB has increased its target in sustainable finance to USD 30 billion for 2025 after exceeding last year its target of USD 15 billion in 2023. UOB's green initiatives comprise "U-Energy" financing tool for energy efficiency projects and "U-Drive" solution for electric vehicle (EV) businesses and consumers. The bank announced it achieved carbon neutrality last year. [Source](#)

### **DBS: SGD 100 Million additional funding to Social Enterprises through its Foundation**

DBS has committed to provide additional SGD 100mn funds to the DBS Foundation in order to “deepen its ability create impact beyond banking” and improve lives and businesses impacted by the pandemic in the region. Founded in 2014, DBS Foundation is dedicated to social entrepreneurship and support the growth of innovative businesses-for-impact. [Source](#)

### **New Chief Sustainability Officer hired by DBS**

On January 24th, DBS announced it hired Helge Muenkel from ING to replace Mikkel Larsen who left the role in November 2021. The latter became Chief Executive of Climate X – a joint venture between DBS, SGX and Temasek. New hires by DBS could be motivated by its aim to strengthen its sustainability efforts according to FinanceAsia. [Source](#)

### **Eurazeo completes 2<sup>nd</sup> closing of Smart City II with new partners in ASEAN**

Eurazeo, the listed European venture capital and private equity firm, has announced the 2<sup>nd</sup> closing of its Smart City Fund II at €150m (USD 170m). The fund is dedicated to new technologies and digital services for sustainable cities, encompassing innovation in new energy, advanced mobility, green buildings, industry 4.0. [Source](#)

### **FinTech STACS Partnering with CSOP AM as Blockchain Platform Provider**

Singapore-based Fintech STACS has announced a partnership with CSOP Asset Management as Blockchain Platform Provider for OTC Derivatives Trade Processing in order to eliminate and streamline bespoke trade matching parameters, resolving trade exceptions in real-time for asset managers. STACS also partners with the Monetary Authority of Singapore (MAS) on building the Project Greenprint ESG Registry, a DLT-based platform that provides accessibility to quality ESG data of various industry sectors, and enhances the mobilisation of ESG capital. [Source](#)

## **3. Corporates**

### **Singapore Airlines to buy renewable fuels from Exxon Mobil**

Following a tender launched on November 10<sup>th</sup> last year, ExxonMobil was selected as the supplier of sustainable aviation fuel (SAF) by the Civil Aviation Authority of Singapore (CAAS), Singapore Airlines (SIA), and investment company Temasek. The fuel will be delivered to Changi Airport through the existing fuel hydrant system by the end of July. The use of SAF will be tested during one year. [Source](#)

### **Airbus agrees to study potential for hydrogen hub in Singapore**

Four parties (Civil Aviation Authority of Singapore, Changi Airport Group, Airbus, Linde) agreed at Singapore's Airshow 2022 on February 15<sup>th</sup> to conduct market analysis on projected aviation demand and supply for hydrogen. According to CAAS, "Making sustainable aviation viable and accessible to all will require cross-sectoral collaboration and public-private partnership." [Source](#)

### **Asia's decarbonization push expected by Schneider Electric**

During an interview with Nikkei early February, Chief Sustainability Officer at Schneider Electric shared that “attitudes toward sustainability in Asia are changing from the top down”. He expects “in the next two years most of the corporates in Singapore will have built their own pledge to be aligned with net-zero [carbon emissions], or at least to define where they want to be by 2030”. [Source](#)

### **BNP Paribas’ support in Vingroup’s first international green syndicated loan**

BNP Paribas has supported Vingroup’s first international green syndicated loan. Vingroup successfully closed the first of its kind transaction of USD 500m, which will go to green and sustainable projects in accordance with the company which is one of the leading private conglomerates in the region. This is the largest green loan ever by a Vietnamese corporate in the international loan market. BNP Paribas was also involved in a USD 425m issuance of sustainable exchangeable bonds in September 2021 for Vinpearl, a leading developer and operator of tourism and leisure services in Vietnam and a member of Vingroup. [Source](#) ;

## **4. Miscellaneous**

### **Green Bond sales to surge in Asia-Pacific as region embraces decarbonization**

S&P Global expects a significant rise of green bond sales in the Asia-Pacific region in 2022 as major countries establish roadmaps to achieve net-zero emissions and invest more in greener projects. Green debt could double from USD 185bn in 2021 (see Appendix 1) to almost USD 450bn in 2022. [Source](#)

### **ADB calling for more financing into ocean health improvement**

The publication “Financing the Ocean Back to Health in Southeast Asia: Approaches for Mainstreaming Blue Finance” was shared on 26–28 January and highlights the need for scaling up “blue” projects such as coastal protection, sustainable fisheries, and plastics in wastewater treatment. It also highlights the importance of a regional initiative to improve capacities, knowledge and projects in ocean health. [Source](#)

### **G20: Sustainable finance among six priorities set by Indonesia in 2022**

In 2022, Indonesian G20 Presidency will insist on six priorities reporting on the progress of the G20 Sustainable Finance Roadmap, agreed by G20 Finance Ministers and Central Bank Governors in October 2021. This roadmap aims at improving sustainability reporting, identifying sustainable investments, and aligning International Financial Institutions’ efforts with the Paris Agreement [Source 1](#) ; [Source 2](#)

## A few recent sustainable deals involving French companies

Date	Deal type	Initiator	Target/ Partner	Sector	Amount (USD)	Comments
13-Dec-21	Green syndicated loan	Vingroup	BNP Paribas (Joint-MLA and Joint Green Coordinator)	Conglomerate (industrials, technology, real estate, soecial services)	USD 500mn	<ul style="list-style-type: none"> <li>BNP Paribas acted as the Joint-MLA and Joint Green Coordinator on this benchmark transaction. It is the 1<sup>st</sup> green syndicated loan in Vietnam. Sustainalytics was engaged to review and issue a Second Party Opinion on Vingroup's Sustainable Finance Framework</li> <li>BNP Paribas previously acted as JLM for the issuance of USD 425 mio Vinpearl into Vingroup Sustainable Exchangeable Bond in Sep 2021</li> </ul>
N/A	Revolving Loan Facility	Louis Dreyfus Company Asia	CACIB	Trading of agricultural commodities	N/A	<ul style="list-style-type: none"> <li>Active as a "Sustainable Coordinator", CACIB Singapore supports Louis Dreyfus Company Asia in the renewal of its Asian RCF. This year, the RCF includes CSR objectives.</li> </ul>

**Copyright:** All reproduction rights reserved, unless expressly authorized by the French Embassy in Singapore.

**Authors :** Regional Economic Section (SER) of the French Embassy in Singapore with the participation of CCEF and involved financial companies: **BNP Paribas, Crédit Agricole, Enea, Eurazeo, Frandavenue, Natixis, Société Générale.**

**Disclaimer :** The SER makes every effort to provide accurate and up-to-date information, and will correct, whenever possible, any errors brought to its attention. However, it can in no way be held responsible for the use and interpretation of the information contained in this publication.

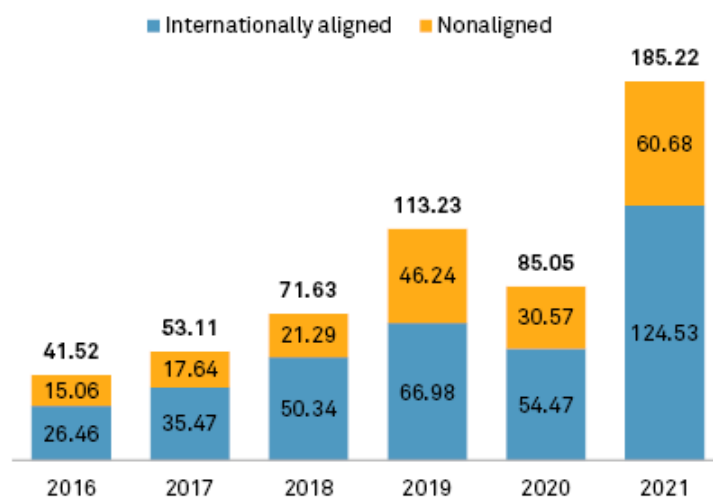
**To subscribe,** please send an email to: [raphael.badr@dgtresor.gouv.fr](mailto:raphael.badr@dgtresor.gouv.fr) or [esma.laouadi@dgtresor.gouv.fr](mailto:esma.laouadi@dgtresor.gouv.fr)

## Appendix

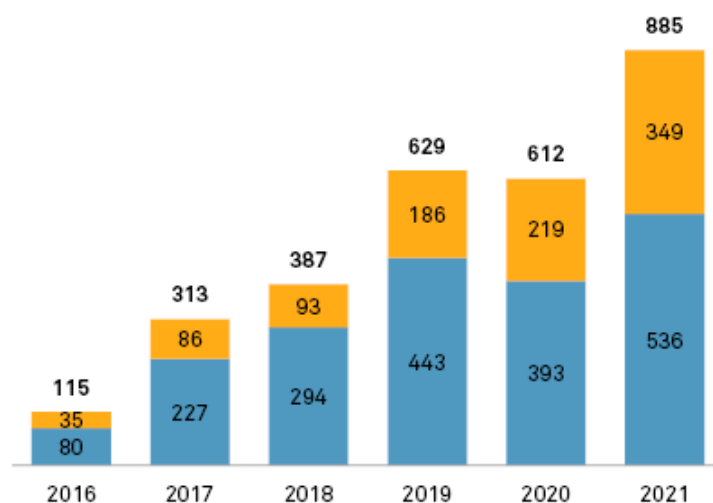
### Appendix 1 – Issuance of green bonds in Asia-Pacific (source: S&P Global)

#### Issuance of green bonds in Asia-Pacific (\$B)\*

By volume of issuance (\$B)



By number of issuance



Data compiled Feb. 2, 2022.

\* Volume includes both bonds aligned with international standards and bonds aligned only with local standards.

Internationally aligned green bonds are limited to those where at least 95% of proceeds are designated for green projects aligned with the Climate Bonds Taxonomy.

Source: Climate Bonds Initiative