Singapore's Increased Carbon Tax Signals Urgent Need to Decarbonise - Northmore Gordon

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Efficiency Assessments Energy Procurement Navigate energy markets with confidence Virtual Environmental Manager Leverage our teams wide experience Certificates Close Certificates Open Certificates Certificates Our Environmental Attribute Certificate services help businesses accelerate technology adoption, improve project ROI, and manage claims of renewable energy, energy efficiency and carbon offset 1 carbon offset = 1 tonne of CO2-e avoided or removed from the atmosphere. Avoided emissions covers activities that alter behaviour that would have otherwise caused emissions such as energy efficiency improvements or avoided deforestation. Removal covers activities that permanently remove CO2 from the atmosphere such as new forestry plantations, soil carbon improvement or carbon capture and storage. certificates Live Certificate Prices The value of certificates change day-to-day, check todays prices Solar VEECs (VEU PBA) VEU PBA for Large-scale Solar Measurement & Verification (VEU & ESS) M&V; for Large C&I; Efficiency Projects (VEU PBA & ESS PIAM&V;) BESS Calculator Estimate the Peak Reduction Certificate revenue available to your NSW battery project in minutes ERF & Carbon Credit Registration ACCUs for Emission Reduction Projects Boiler Upgrades (VEU & ESS) NSW & VIC Boiler Rebates REC Registration (I-RECs & LGCs) Register renewable assets for I-RECs and LGCs Trade RECs & Carbon with us Trade Local & International Environmental Attribute Certificates moREnewable100 (RECs & Offsets) Reach Global Sustainability Goals with Certificates and Offsets Deemed Certificates (VEU & ESS) NSW & VIC Rebates Global Certificates Environmental Attribute Certificates Australian Programs Australian EAC Programs Case Studies Sectors Articles Team More Close More Open More Northmore Gordon Learn more about Northmore Gordon with the latest news and insights, were to find us, and the extensive terminology used in emissions reductions About Us Who we are & what we do in energy efficiency & decarbonization. Locations Find our offices near you. Contact Us Get in touch with our team. Careers Join our team making a sustainability difference Articles Learn about energy efficiency & carbon reduction. Latest News Stay informed on industry developments. Government Updates Track policy changes impacting your energy use. Accreditations See our certifications for trusted service. Glossary Define key terms in emissions reduction. Singapore’s Increased Carbon Tax Signals Urgent Need to Decarbonise Northmore Gordon April 26, 2022 Articles Share this article Singapore is one of 27 countries that has implemented a carbon tax, and it recently announced that it will ramp up its price on carbon, revealing the nation’s commitment to decarbonise its economy and do its part in addressing climate change. To stay competitive, businesses will need to reduce energy consumption, direct carbon emissions, and the use of carbon-intensive goods and services. The Singapore Carbon Pricing Act The 2019 introduction of the Carbon Pricing Act (CPA) marked Singapore as the first country in Southeast Asia to establish a carbon price. The CPA requires any facility emitting more than 25,000 tCO2e annually to pay S$5/tCO2e. The CPA considers emissions from direct fuel combustion as well as from Industrial Processes and Product Uses (IPPU) such as the production of CO2 from steam methane reforming used in ammonia or hydrogen production. Setting the taxable emissions threshold at 25,000 tCO2e allows Singapore to target a relatively low number of the country’s C&I; facilities while still addressing roughly 80% of its national GHG Greenhouse gases trap heat in the atmosphere. They all have different global warming potentials (GWP) over different time frames, the higher the number, the worse the impact. For simplicity of accounting everything is referenced back to carbon dioxide which has a global warming potential of 1. There are over 200 GHGs listed in the IPCC fifth assessment report, a sample are below. Note that in current carbon accounting standards the 100 year GWP is used. Greenhouse gas 20 year GWP100 year GWPCarbon dioxide CO211Methane CH48428Hydrofluorocarbon HFC-134a37101300Chlorofluorocarbon CFC-1169004660Nitrous Oxide N2O264265Sulfur hexafluoride SF617,50023,500 emissions. By addressing the majority of the nation’s heavy polluters with an easy-to-understand tax, the CPA could prove to be a more effective policy measure than a highly complex carbon cap-and-trade mechanism. Tax to Increase The price per tonne of CO2 equivalent (tCO2e) is set to go through steep price increases in the coming years: S$25/tCO2e in 2024 S$45/tCO2e in 2026 and potentially between S$50-$80/tCO2e by 2030 The 2022 CPA update offers businesses time to assess, plan, and execute strategies to reduce their carbon emissions and thus lower their tax liability. Demonstrating Strong Intention for Social Good Singapore’s carbon price commitment showcases the nation’s determination to decarbonise in a meaningful way. According to Singapore’s National Climate Change Secretariat (NCCS), the government will not receive additional revenue from this carbon price increase. Rather, the money will go towards supporting businesses and further efforts to promote decarbonisation — such as grants and tax incentives for ESG reporting — as the country advances its transition away from carbon. Additionally, the CPA will allow for 5% of a business's taxable emissions to be offset via certified international carbon credits. This gives businesses access to a wide range of options to mitigate their tax liability, yet the CPA still places overwhelming emphasis on reducing on-site emissions, which will compel businesses to reduce their actual carbon emissions and create a positive impact in Singapore. Creating a Carbon Reduction Strategy Decarbonising industry and the built environment is in the public's best interest and increasingly aligns with corporate agendas. Economists and business leaders alike have stressed the importance of expanding the price of carbon to accelerate global decarbonisation. Effective decarbonisation requires a deeper understanding of baseline conditions and how to profitably transition away from fossil fuels. With many potential pathways in an ever-changing energy landscape, keeping up with current trends, technologies, and policies can be a daunting task. A corporate carbon reduction strategy is the best way to achieve your goals at the lowest cost. The following diagram shows what needs to be taken into account. A simplified approach is to be considered: Increase energy efficiency Electrify as much as possible Buy renewable energy Offset the remaining carbon emissions How Businesses can Decarbonise through Energy Efficiency There are no one-size-fits-all solutions to decarbonise the industry. There is however a universal principle that can be applied across all sites in which reducing energy waste means less energy use, fewer emissions and that businesses will save money at the same time. This is a 'no regrets' strategy. How Electrification and Renewables Decarbonise Business Beyond improving energy efficiency, plants can also undergo electrification to transition away from equipment and machinery that burn fuel on site. For instance, a natural gas water heater can be replaced with an electric heat pump, or a traditional furnace can be replaced with an electric one. In addition to helping transition away from burning fossil fuels, electrified equipment typically comes with fewer maintenance costs. When purchased electricity is produced from clean, renewable sources with minimal carbon intensity, such as wind and solar power, the electrification process can significantly reduce a business' overall emissions. Current studies suggest that electrification could transition roughly 50% of the fuel that global industry uses for energy to electric-powered operations. This includes processes requiring low-temperature heat (≤ 100°C), such as food preparation, to industrial activities like steam reforming that require high-temperature heat up to 1,000°C. The remaining fuel in the industry is often natural gas. There is an increasing amount of renewable gas available in the network, for example between 40%-50% of Denmark and Germany's piped methane gas is from renewable sources. Certificates and Carbon Offsets Northmore Gordon will Guide You Through Profitable Decarbonisation As a full-service Consultant, Northmore Gordon has energy experts prepared to guide businesses through all phases of their decarbonisation journeys to ensure a successful and profitable transition. Northmore Gordon assists with the design and implementation of a carbon reduction strategy, which includes but is not limited to: Develop the carbon strategy Implement energy efficiency Electrify fuel use Create and competitively buy priced renewable energy and high-quality carbon offsets We help businesses design and implement carbon reduction strategies and long-term roadmaps so that they can meet corporate goals and stay ahead of the changing landscape. This can include alignment with and commitment to the Science-Based Targets The science based targets initiative (SBTi) is a partnership between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). Targets are considered 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement – limiting global warming to well-below 2°C above pre-industrial levels and pursuing efforts to limit warming to 1.5°C. SBTi has specific sectoral guidance and is working on a Net-Zero standard. Initiative (SBTi Science Based Targets initiative), a robust framework strategy developed to keep the global temperature rise well under 2° Celcius from pre-industrial levels. In addition, Northmore Gordon helps businesses capture available grants, certifications, and incentives to make the process as profitable and streamlined as possible. The world recognizes the threat of climate change and the risk of continued fossil-fuel dependence. Acceleration of decarbonisation is needed, and policy measures such as Singapore's Carbon Policy Act showcase that more and more countries are making definitive steps to reaching a net-zero carbon economy. With an energy partner like

Northmore Gordon, your business can incorporate our energy policy and engineering expertise to demonstrate leadership in sustainability and build a thriving business as the world undergoes this pivotal energy transition. Carbon Pricing Act , Carbon Tax , CPA , Decarbonisation , Decarbonise , Renewable Energy , Singapore You may also like: Welcome to our August & September 2026 Compliance Update. Australian Certificate Markets – August 2026 Update Where's the value in renewable heat? Latest Updates ASRS Group 3: are you in scope and don't know it? September 18, 2026 Correct as at 13 September 2026. If your company is a large proprietary company, you Read More » Beyond annual matching: The evolution of time-stamped RECs August 18, 2026 For more than a decade, Renewable Energy Certificates (RECsI-RECs, GOs, TIGRs Tradeable Instrument for Global Renewables (TIGR) Registry is an online platform for tracking and transferring renewable energy certificates (RECS), enabling developers to generate,verify and sell RECs. The registry is run by APX, a US company that provides infrastructure for environmental markets around the world. , LGCs, ZNECs, J-Credits) have Read More » Solar irrigation upgrades: Don't let certificate funding go unclaimed August 10, 2026 Irrigation pumps are one of the biggest hidden costs on an Australian farm. In particular, if Read More » SRES expansion: STC eligibility to increase from 100 kW to 1 MW from October 2026 August 6, 2026 The Australian Government has announced a major expansion of the Small-scale Renewable Energy Scheme, increasing Read More » Get in touch Australia 1300 854 561 (Advisory) 1300 878 500 (Certificates) Melbourne Suite 1, Level 4 607 Bourke Street Melbourne VIC 3000 Singapore +65 6690 2480 Singapore 1 Keong Saik Road, Singapore 089109 Stay up to date Alternatively, complete the form and we will be in touch with you. First Name Last Name Email Phone Number Country Australia Singapore Subject Message Send Services Energy Audit Services M&V; Services EEO Assessments Corporate Energy and Carbon Management Grants and Program Strategic Energy Sourcing Virtual Energy Manager Climate Active Certification Sectors Animal Processing Chemical Processing Commercial Buildings Food & Beverage Manufacturing Mining Oil & Gas Pharmaceutical & Health Products Public Sector Waste & Wastewater Wood, Paper & Cardboard Processing Upgrades Boiler Upgrades Commercial Lighting Hot Water Systems Mid Scale Solar NABERS Public Lighting Refrigerated Display Cabinets Solar PV Small Scale UPS Certificates Live Certificate Prices International Renewable Energy Certificates Tradable Instrument for Global Renewables Australian Carbon Credit Units Energy Savings Certificates Large-scale Generation Certificates Small-scale Technology Certificates Victorian Energy Efficiency Certificates Government Schemes Emissions Reduction Fund Energy Savings Scheme Renewable Energy Target Victorian Energy Upgrades Helpful Links About us Meet the Team Careers Contact us Articles News Glossary Privacy Policy Complaints