AUSTRALIA-SINGAPORE GREEN ECONOMY AGREEMENT

INTRODUCTION

1. The Green Economy Agreement (GEA) has brought the Government of the Commonwealth of Australia (Australia) and the Government of the Republic of Singapore (Singapore) together to set an ambitious and collaborative body of work to accelerate both countries' transition towards a green and sustainable future. Equally, this joint effort will seek to drive green economy cooperation regionally and globally. Collaboration under the GEA will support economic growth, create jobs in green sectors, promote the decarbonisation of economic activities and mainstream sustainability, taking into account our climate policies and plans.

2. The GEA builds on the depth and strength of the close bilateral relationship between Australia and Singapore, underpinned by a shared history, the Joint Declaration by the Prime Ministers of Australia and Singapore on a Comprehensive Strategic Partnership (CSP) and the Singapore-Australia Free Trade Agreement (SAFTA). To further cement bilateral links, we have elevated the importance of green economy cooperation, making it the sixth pillar under the CSP.

3. As a first of its kind agreement, the GEA blends trade, economic and environmental objectives, and adopts multi-pronged approaches to advance the transition to a green economy. It will facilitate trade in environmental goods and services as well as promote investment to propel this growth. With a focus on a range of economic activities, the GEA will actively draw on the participation of relevant stakeholders, including businesses and investors.

4. Australia and Singapore are committed to ambitious action on climate change to keep the Paris Agreement temperature goal within reach. We are focused on delivering practical and scalable solutions to enable our countries to decarbonise towards net zero emissions, including by partnering with other countries to decarbonise and grow our economies, taking into consideration national circumstances.

VISION AND OBJECTIVES

5. Australia and Singapore firmly believe that sustainability and economic growth can go hand in hand, and our common vision is to shape a sustainable and prosperous future for our peoples. We will cooperate in a principled, purposeful and practical manner, with initiatives to galvanise business and the private sector, promote investment, stimulate trade and protect the environment.

6. The objectives of the GEA are to:

(a) establish cooperation in targeted areas of common interests that contribute to Australia's and Singapore's continuing efforts to develop concrete and credible pathways to advance economic growth whilst ensuring a smooth and inclusive transition to net zero emissions economies;

(b) explore innovative approaches to effectively address the global challenges of climate change, including by developing and adopting low carbon technologies, renewable energy and decarbonisation solutions;

(c) adopt arrangements to undertake the development and delivery of practical initiatives under each ofthe established areas of cooperation, including those that promote trade and investment in the green economy;

(d) support existing and catalyse new commercial and business opportunities, including by facilitating arrangements to remove non-tariff barriers to trade in environmental goods and services;

(e) heighten government and business engagement, including by promoting private sector investment and finance in the green economy;

(f) affirm jointly determined definitions, principles and positions on issues, policies and measures that help facilitate greater integration of green economy activities between Australia and Singapore;

(g) assist both countries in setting or adopting rules, standards, technical regulations and conformity assessment procedures, that help provide greater clarity and certainty in the green economy operating environment and are consistent

with international trade and investment obligations and the rules-based multilateral trading system, including a commitment to risk, science and evidence-based decision-making;

(h) foster green economy cooperation more broadly across the region, including by utilising the GEA as a pathfinder in setting policies, standards, technical regulations and conformity assessment procedures, measures and approaches that the international community and multilateral organisations could usefully draw on; and

(i) promote the GEA principles, cooperation and initiatives for regional and global policy developments, including in but not limited to the World Trade Organization (WTO), the UN Framework Convention on Climate Change (UNFCCC), the Asia-Pacific Economic Cooperation (APEC), Organisation for Economic Co-operation and Development (OECD), and the International Organization for Standardization (ISO).

PRINCIPLES OF GREEN ECONOMY COOPERATION

7. Building on Australia's and Singapore's existing bilateral economic and environmental relationship and agreements, we recognise, amongst others, the following principles of green economy cooperation:

(a) upholding our obligations under the UNFCCC and Paris Agreement and our commitments to our respective goals to achieve net zero emissions;

(b) affirming our rights, obligations and undertakings in the WTO, and other multilateral, regional and bilateral agreements and arrangements regarding international trade, the green economy and relevant international standards that underpin trade and investment;

(c) affirming our commitments in various free trade agreements, including the SAFTA, the Regional Comprehensive Economic Partnership, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, and the Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area;

(d) taking action on climate change in a manner that promotes and does not restrict trade, investment and business, so as to facilitate the creation of tangible benefits in the economy and workforce, including in green supply chains, sustainable agriculture and food systems, the built environment, clean energy trade, carbon markets, carbon capture, utilisation and storage (CCUS), green finance, and the circular economy;

(e) deploying sound data and evidence-based analysis, including drawing on national circumstances, to inform and review progress on our joint policies, decisions, measures and activities;

(f) fostering better alignment and convergence of standards, technical regulations and conformity assessment procedures between countries, and rules that improve the interoperability of systems, strengthen the integration of markets and reduce potential barriers to trade and investment;

(g) sharing knowledge, information and expertise that lend support to understanding and addressing the challenges of transitioning to net zero emissions economies;

(h) recognising the critical role of non-government stakeholders, including the private and people sectors, civil society and relevant international organisations, as integral partners in advancing green economy cooperation;

(i) ensuring that our collaborative work does not knowingly cause harm to the natural environment;

(j) partnering together on innovative measures, including to facilitate new green growth and workforce opportunities, in order to ensure a smooth and inclusive transition to net zero emissions economies; and

(k) collaborating in international fora in recognition of the range of policies that can facilitate the transition to net zero, and to uphold the use of emissions reduction policies that are designed and applied in a manner consistent with international obligations including at the WTO and under the UNFCCC and Paris Agreement.

AREAS OF COOPERATION

8. Australia and Singapore intend to cooperate in the priority areas set out at paragraph 9, which may be expanded in future. The initiatives under each area of cooperation and their status are listed at Annex A. Details of each initiative are outlined in Annex 8.

9. The priority areas of cooperation are:

(a) Trade and Investment

Recognising that:

(i) trade and investment are central to a green economy, through delivering environmental goods and services, as well as green and transition finance, that strengthen, promote and facilitate the development of green industries, sectors and markets to support the transition to sustainable economic growth; and

(ii) Australia and Singapore have already committed to trade liberalisation by reducing and removing tariffs and non-tariff barriers for goods and services, and establishing a framework conducive to bilateral investments, in their existing trade agreements, and are committed to do more to this end,

we will collaborate to:

(iii) identify a comprehensive list of environmental goods and services to signify the importance of these goods and services in supporting the transition to sustainable economic growth and facilitating trade and investment flows;

(iv) enable and improve both countries' access to environmental goods and services by continuing to address tariff and non-tariff barriers where they exist, facilitating and promoting trade and investment, and aligning and cooperating on appropriate standards, technical regulations and conformity assessment procedures; and

(v) facilitate and promote investment that will support decarbonisation efforts and open up new green economy opportunities,

by undertaking the following cooperative activities:

(vi) develop and identify a list of environmental goods and services which will be updated by Australia and Singapore, at Annexes B 1.1 and B 1.2, that contribute to and enable objectives such as the:

a. reduction, mitigation and remediation of the pollution of the air, waterways and the land;

b. protection of natural resources and biodiversity;

c. mitigating greenhouse gas emissions such as through a transition to the use of renewable and sustainable energy sources and technologies;

d. efficient and sustainable use and production, reuse or recycling of resources;

e. reduction in the negative effects on human health and the environment;

f. effective identification, measurement, accounting and monitoring of the environment in support of its protection and remediation; and

g. sustainability and resilience of food systems, including agricultural practices,

(vii) expand bilateral, regional and multilateral mechanisms, approaches and processes outlined in Annex B 1.3 to identify, reduce and remove non-tariff barriers;

(viii) promote and facilitate green economy trade and investment cooperation with relevant government agencies, to expand opportunities for business and industry;

(ix) identify green economy-related trade facilitation initiatives, including through digitalisation as outlined in Annex B 1.4, paperless trade and relevant work conducted under the Singapore-Australia Digital Economy Agreement;

(x) work together on government procurement as outlined in Annex B 1.5;

(xi) explore principles and proposals put forward by either side on the rules of origin (ROOs) for environmental goods which facilitate trade, recognise modern sustainable production methods and logistics, and take into consideration supply chain realities and evidence-based analysis; and

(xii) foster trade and investment in sustainable food systems including by building greater collaboration as outlined in Annex B 1.6 and by recognising the merits of nationally-appropriate production practices and outcome-focused sustainability metrics.

(b) Standards and Conformance

Recognising that:

(i) standards, technical regulations and conformity assessment procedures increase compatibility and interoperability of

systems and processes and reduce barriers to trade which support a well-functioning green economy;

(ii) information exchange and transparency with regard to the preparation, adoption and application of standards, technical regulations and conformity assessment procedures on the green economy are important for bilateral and international cooperation,

we will collaborate to:

(iii) encourage, where appropriate, the adoption and development of international standards relating to the green economy;

(iv) in areas where no such international standards exist, explore recognising the standards developed by Australia, Singapore or others, or the adoption of other internationally recognised standards; and

(v) explore the range of mechanisms to facilitate the acceptance of conformity assessment results carried out in each other's territory to reduce barriers to trade,

by undertaking the following cooperative activities:

(vi) work together to:

a. develop joint initiatives relating to standards, technical regulations and conformity assessment procedures;

b. promote the development of standards in areas that are of mutual interest to Australia and Singapore at regional, multilateral and international fora in which both countries are participating;

c. explore the development and recognition of new standards, including those developed and adopted internationally;

d. cooperate with relevant stakeholders, including industry, technical experts and standard-setting bodies to promote greater alignment of standards, technical regulations and conformity assessment procedures; and

e. conduct other mutually determined activities, including as outlined in Annex B 2.1.

(c) Green and Transition Finance Recognising that:

(i) clear, consistent rules and policy guidance on green and transition finance, including the inter-operability of green finance taxonomies that take into account transition activities across jurisdictions, can provide confidence and certainty to businesses and investors seeking to structure and direct investment to green and transition activities;

(ii) robust governance and regulatory frameworks, including on climate-related financial disclosures, can build confidence in the credibility of green and transition finance while reducing the risk of greenwashing; and

(iii) the development of green and transition finance, including innovative financial instruments and the use of technology, will support the transition to a net zero emissions economy in our region,

we will collaborate to:

(iv) ensure that Australia's and Singapore's commitment to net zero emissions, which require transition to a low carbon emissions economy, is supported through the mobilisation of public and private investments in green and transition activities; and

(v) sustain our commitment and contribution to ongoing multilateral efforts on climate-related financial disclosures, such as at the Task Force on Climate-related Financial Disclosures, International Sustainability Standards Board, International Organization of Securities Commissions, and Financial Stability Board,

by undertaking, in accordance with our Joint Statement of Intent on Green and Transition Finance set out in Annex B 3.1, the following cooperative activities:

(vi) support the development of policies, guidance and financing solutions to facilitate the flow of green and transition finance between our economies;

(vii) collaborate through international fora to support robust global climate-related financial disclosures and reporting standards; and

(viii) cooperate on mutual interests to strengthen the environmental, social and governance ecosystem in our respective countries, including data sharing and FinTech solutions, to improve decision-making by businesses and investors.

(d) Carbon Markets Recognising that:

(i) cooperative approaches under Article 6 of the Paris Agreement are an important part of efforts to raise global climate ambition and meet the Paris Agreement goals;

(ii) emitters should first seek to reduce emissions before turning to carbon markets;

(iii) interest in carbon markets is increasing globally, and markets are expanding rapidly, as governments and the private sector set ambitious emissions reduction targets;

(iv) establishing standards and systems across our region are important to foster and facilitate participation in high-integrity carbon markets; and

(v) robust international carbon markets that trade in verifiable, high integrity offsets will enable economic growth, job opportunities, investment, environmental protection, capacity building, scaling of technology, and benefits to local communities, among many other benefits, we will collaborate to:

(vi) support the development of compatible and credible international carbon markets that demonstrate high standards of social and environmental integrity, in alignment with Article 6 of the Paris Agreement; and

(vii) support, strengthen and enhance climate actions by partners in the region, including through mobilising resources, such as private and institutional capital, and facilitating the research, development and deployment of innovative low-emissions technology through the development of carbon markets, by undertaking the following cooperative activities:

(viii) cooperate to support internationally harmonised rules and well-functioning carbon markets;

(ix) share our technical expertise in carbon accounting, and our experience in operating carbon markets, including the development of relevant institutional and regulatory infrastructure for participation in Article 6 of the Paris Agreement; and

(x) build on our existing exchange of measurement, reporting and verification (MRV) expertise and experience, with a view to sharing that experience with our region, recognising that transparency and MRV underpin the integrity of carbon offsets, and help build the confidence of the private sector to participate in carbon markets.

(e) Clean Energy, Decarbonisation and Technology Recognising that:

(i) clean energy and decarbonisation solutions underpin the green economy;

(ii) the process to transition to net zero emissions will entail continuous technological innovation and the development of breakthrough technologies, many of which have not yet reached the stage of commercialisation;

(iii) research and development is crucial to creating and demonstrating the feasibility of new and emerging technologies, and driving down their costs, to give stakeholders the confidence to support their deployment, including at scale; and

(iv) cross-border clean energy trade will make an important contribution to the transition to net zero emissions, addressing climate change, and broader energy security,

we will collaborate to:

(v) facilitate cross-border electricity trade including by developing architecture for bilateral electricity trading and arrangements related to supply of, and access to, electricity;

(vi) facilitate the secure transport of electricity and the development of offshore electricity infrastructure for cross-border electricity trade within Australian Commonwealth and Singapore waters, including by making any procedures for permits for the laying, maintenance and repair of subsea electricity cables publicly available and ensuring any regulatory requirements are administered in a reasonable, objective, and impartial manner; and

(vii) align emissions estimation, reporting and accounting related to cross-border electricity trade with UNFCCC rules, noting that UNFCCC rules do not require accounting adjustments for cross-border electricity trade, by undertaking the following cooperative activity:

(viii) develop architecture for cross-border trade in electricity, to contribute to decarbonisation pathways and energy security, through the efforts of a working group as outlined in Annex B 4.1. We will also:

(ix) cooperate to support sustainable transport, recognising Singapore's role as a major global transport hub and Australia's leading role in the growing use of clean hydrogen and clean ammonia. Working closely with industry and research and development partners, we will:

a. build on work through the Memorandum of Understanding between the Government of Australia and the Government of

Singapore for Cooperation on Low-Emissions Solutions (Low-Emissions Solutions MOU) to support the Australia-Singapore initiative on low emissions technologies for maritime and port operations;

b. pursue efforts to advance our common objective to establish green shipping corridors under the Clydebank Declaration as outlined in Annex B 4.2; and

c. embrace the opportunities for sustainability in the aviation sector, including the potential for scaling up the adoption of sustainable aviation fuel as outlined in Annex B 4.3;

(x) promote the role of the private sector and research institutions from both Australia and Singapore and their engagements through various mechanisms, platforms and hubs to support clean energy trade and address research challenges; and

(xi) identify opportunities to establish and deliver new partnerships between our respective research institutions and industry, to undertake joint scientific research or innovation projects on priority areas that will enable our green transition. Under this collaboration we will explore joint opportunities in areas such as low emissions solutions, advanced manufacturing, the circular economy, waste management, urban environment management, and nature-based solutions as outlined in Annex B 4.4.

Building on the Low-Emissions Solutions MOU, which includes existing work on:

(xii) long-term emissions reduction strategies and low-emissions pathways, hydrogen, CCUS, renewable energy trade, and MRV, explore collaboration on, among others:

(xiii) shaping international development and interoperability of standards and certification schemes for clean energy such as hydrogen, including Guarantee of Origin schemes;

(xiv) facilitating business-to-business collaboration and participation in projects for hydrogen and CCUS;

(xv) promoting regional collaboration on hydrogen and CCUS supply chain projects and accounting rules; and

(xvi) cross-border carbon capture and storage.

(f) Skills and Capabilities for Green Growth Recognising that:

(i) the transition to a green economy requires a transformation of the workforce where green technology diffusion in business processes as well as the growing commitment to move to a low carbon economic activity are rapidly changing the nature of occupations and skills required of workers; and

(ii) new and specialised skills, knowledge, capabilities and competencies will need to be developed to support and drive a green economy,

we will collaborate to:

(iii) support the development and growth of our workforce in preparation for new and emerging green occupations and skills,

by undertaking the following cooperative activities:

(iv) work together across relevant government agencies to exchange information, experience and best practices that advances our knowledge and ability to equip workers with in-demand skills and capabilities to effectively participate in the green economy, as outlined in Annex 5.1; and

(v) encourage business and industry groups to participate in our respective government-led discussions to understand the relevant competencies and skills required by the workforce to take on jobs in the green economy.

(g) Engagements and Partnerships Recognising that:

(i) the private sector plays a critical role in the development and growth of the green economy, including by developing business opportunities, commercialising new products and services, mobilising investment, driving job creation and expanding markets; and

(ii) there are many organisations, interest groups and specialised bodies that are able to support our transition to a well-functioning green economy,

we will collaborate to:

(iii) actively engage the private sector and relevant organisations, groups and bodies in our joint work, including by drawing on their knowledge and expertise, and promoting initiatives that expand their role and contribution in the development of the green economy,

by undertaking the following cooperative activities:

(iv) support business-matching to ensure the private sector is properly partnered to promote technologies, goods, services and investment that support the green transition, including by providing this support through schemes outlined in Annex B 6.1;

(v) showcase green technologies, products, services and capabilities in promotional and business events, including through activities facilitated through the Memorandum of Understanding between Austrade and Enterprise Singapore outlined in Annex B 6.2;

(vi) facilitate potential partnerships, including between ecolabelling organisations operating in both our countries to promote global best practice and interoperability, and to help drive demand for low carbon, sustainable and resource-efficient solutions, as outlined in Annex B 6.3;

(vii) work together to improve data measurement and statistical capacity on environmental-economic measures, including but not limited to environmental goods and services, energy, and air emissions, and integrate relevant data into our national statistical products, as outlined in Annex B 6.4; and

(viii) collectively contribute to regional and international efforts to better understand the emerging areas of environmental-economic measures and the value of decarbonisation and sustainable development, as outlined in Annex B 6.4.

10. Australia and Singapore may also enter into separate treaties or arrangements in implementing any initiative under the GEA.

11. Australia and Singapore may also undertake cooperation on matters concerning the green economy, including those listed above, under the auspices of the CSP, the SAFTA or any agreement or instrument between Australia and Singapore.

GOVERNANCE AND IMPLEMENTION

12. The Prime Ministers of Australia and Singapore will review the implementation of the GEA during the Annual Leaders' Meetings and provide further direction on advancing the GEA as necessary.

13. The details of other governance, implementation and institutional matters are set out in the Appendix.

COMMENCEMENT

14. The GEA will come into effect on the date of its signature.

Signed at Canberra on the 18th October 2022

FOR THE GOVERNMENT OF AUSTRALIA

DON FARRELL

Minister of Trade and Tourism

FOR THE GOVERNMENT OF THE REPUBLIC OF SINGAPORE

GAN KIM YONG

Minister for Trade and Industry

APPENDIX: Governance, implementation and institutional matters

Governance structure

15. A joint implementation team, the GEA Action Team (GAT) is established to oversee the implementation of the areas of cooperation and associated initiatives set out in the GEA.

16. The GAT will comprise:

(a) for Australia: officers of the Department of Foreign Affairs and Trade; and

(b) for Singapore: officers of the Ministry of Trade and Industry and the Ministry of Sustainability and the Environment, and be co-chaired by senior officers on both sides.

17. The GAT will meet regularly and as required, and report under the CSP to (i) the Singapore-Australia Joint Ministerial Committee Meeting (SAJMC) and (ii) the Senior Officials Meeting (SOM).

18. Any decision by the GAT will be taken by consensus of the Co-Chairpersons.

Information Exchange

19. Australia and Singapore will not disclose any confidential information obtained pursuant to or arising from the implementation of the GEA to a third party unless:

(a) the country that provided the information has consented in writing;

(b) the domestic law of either Australia or Singapore receiving the information requires or authorises such disclosure; or

(c) the information is already publicly available.

Funding arrangements

20. Australia and Singapore will each bear their own costs associated with the implementation of the GEA unless otherwise decided by Australia and Singapore.

Institutional matters

21. The GEA is a framework agreement that serves as a record of Australia's and Singapore's understanding, and will be implemented subject to, and in accordance with the respective laws, policies and international legal obligations of Australia and Singapore. The GEA does not create binding obligations between Australia and Singapore or between Australia or Singapore and any third party.

22. Nothing in the GEA will alter or affect any existing agreements or arrangements between Australia and Singapore. Australia and Singapore may amend their existing agreements or negotiate new agreements to implement initiatives conducted under the auspices of the GEA, where required.

23. This Appendix and the Annexes are an integral part of the GEA.

24. Unless otherwise jointly decided, Australia and Singapore will settle any difference or dispute relating to or arising from the GEA amicably through consultations and negotiations in good faith between Australia and Singapore without reference to any international court, tribunal or other forum.

Amendment and Termination

25. The GEA may be amended at any time with the written consent of Australia and Singapore, and such amendments will come into effect on such date as decided by Australia and Singapore. The GAT may amend Annexes A and B by consensus of its Co-Chairpersons.

26. Either Australia or Singapore may give written notice to terminate the GEA. The GEA will be terminated 6 months after such notice is received by Australia or Singapore, as the case may be.

27. The termination of the GEA will not affect the validity, duration and completion of any project or activity undertaken pursuant to the GEA prior to the date of termination unless otherwise decided by Australia and Singapore.