

Sembcorp, SP to create platform with renewable energy certificate marketplace

By Rachel Mui

rachmui@sph.com.sg

@RachelMuiBT

Singapore

ENERGY companies Sembcorp Industries and SP Group are collaborating to develop an environmental sustainability platform for corporates and consumers, with a marketplace that trades renewable energy certificates (RECs) and carbon credits, as well as to provide carbon consulting services.

The launch of the platform is planned for the first quarter of next year, both firms said in a joint statement on Tuesday.

RECs are a recognised way of achieving green targets and a means for buyers to report that their consumed energy comes from renewable

energy sources. Carbon credits are tradeable certificates that allow buyers to offset their greenhouse gas emissions (GHG) by supporting projects aimed at reducing GHG emissions.

Meanwhile, carbon consulting services include analysis, advisory and strategy development to assist corporates in achieving their carbon emission reduction targets, Sembcorp and SP Group said.

They added that companies are increasingly incorporating environmental, social and corporate governance factors into their business strategies and practices, which has led to a growing demand for environmental solutions to offset GHG emissions.

The platform will tap the expertise

of both parties to provide consultancy services that encompass physical and digital solutions across energy, water and waste management, enabling corporates to achieve their GHG reduction targets, the firms noted.

In 2015, Singapore pledged to reduce the nation's emission intensity by 36 per cent from 2005 levels by 2030, and to stabilise emissions with the aim of peaking around 2030. The national target is to halve emissions from its peak to 33 million tonnes of carbon dioxide equivalent by 2050, with a view to achieving net zero emissions as soon as viable in the second half of the century.

Sembcorp shares closed six cents or 4 per cent higher at S\$1.54 on Tuesday.