

FIVE ASEAN CARBON MARKET ASSOCIATIONS UNITE AT COP29 TO SUPPORT THE ASEAN COMMON CARBON FRAMEWORK

AZERBAIJAN, 18 November 2024

Five major carbon market associations representing Malaysia, Indonesia, Singapore, and Thailand and ASEAN today formalised a historic partnership at the COP29 event taking place at Baku, Azerbaijan, with the exchange of a Memorandum of Collaboration (“MoC”).

The MoC was signed by the following associations:

- Malaysia Carbon Market Association (MCMA), represented by Dr Renard Siew
- ASEAN Alliance on Carbon Market (AACM), represented by Dharsono Hartono
- Indonesia Carbon Trade Association (IDCTA), represented by Dr Riza Suarga
- Thailand Carbon Markets Club (TCMC), represented by Gloyta Nathalang
- Singapore Sustainable Finance Association (SSFA), represented by Kavitha Menon

The MoC exchange, which was witnessed by Malaysia’s Minister of Natural Resources and Environmental Sustainability, His Honourable Nik Nazmi Bin Nik Ahmad, marks a significant step forward in advancing regional cooperation on carbon markets. It also signals Malaysia’s leadership role, as the country prepares to undertake the Chairmanship of ASEAN in 2025, to facilitate strategic collaborations in the development of the **ASEAN Common Carbon Framework** (“ACCF”).

The MoC aims to facilitate the regional carbon market players’ effort to support the supply of high-quality carbon credits and enhance demand signals within the ASEAN region. By fostering greater interoperability between ASEAN nations’ carbon markets, this could help improve market liquidity and in return achieve better price efficiency for carbon projects. As various ASEAN countries develop their own national carbon crediting mechanisms, the mutual recognition of domestic methodologies and sharing of talent pool of resources (e.g. validation and verification bodies) can help reduce delivery times of carbon credits to the market.

The MoC has an ambition to improve demand signals to encourage ASEAN companies to decarbonise, to source carbon credits that aligns with other internationally recognised frameworks, to develop an ASEAN Claims Guidance providing minimum standards of governance and provide capacity building support towards high-quality carbon projects in both developing and emerging economies.

Speaking at the exchange ceremony, YB Nik Nazmi commented, “This historic collaboration is a crucial step in advancing carbon market growth within ASEAN. The ASEAN Common

Carbon Framework will assist in operationalising the ASEAN Strategy for Carbon Neutrality and through this partnership, we hope to see ASEAN positioned to play a leading role in global climate action, leveraging both technological and nature-based solutions to drive towards a low-carbon economy.”

Quote from Dharsono Hartono, the Permanent Chair of AACM

“On behalf of AACM, we are excited to be part of this landmark partnership. We believe that the ASEAN Common Carbon Framework (ACCF) will be instrumental in advancing the ASEAN Strategy on Carbon Neutrality.

In particular, the ACCF has the potential to make Strategy (4) – Interoperable Carbon Markets and Strategy (5) – Credible and Common Standards, a reality across the region. By facilitating the development of carbon markets, fostering growth, and unlocking the associated benefits, this collaboration will help bring ASEAN closer to realising its immense potential”

Quote from Dr Riza Suarga, President of IDCTA

Indonesia Carbon Trade Association (IDCTA) is truly honored in supporting the establishment of MCMA, being part of this historic collaboration and welcoming Malaysia to chair ASEAN in 2025. The world needs climate solution deliverables, and we strongly believe that ASEAN Framework can accelerate just that. We all should expand our potential in saving the planet, and therefore collaborative efforts would be one perfect path. Beside executing our missions, IDCTA is committed to prepare Indonesia in becoming a game changer in enhancing the attractiveness of regional carbon market through optimizing Indonesia’s carbon resources as well as market potential, ensuring high integrity of carbon projects using digital technology and strengthening voluntary carbon market with endorsing non-state actors role in global platform discourses.

Quote from Dr Renard Siew, President of MCMA

“The ASEAN Common Carbon Framework is indeed a catalyst for innovation and cooperation across borders. It lays down the groundwork for a vibrant carbon market ecosystem that enables active participation from ecosystem players thus accelerating our region's path toward a low-carbon future. I look forward to working more closely with our counterparts to drive growth, integrity and impact across ASEAN”

Quote from Chaiwat Kovavisarach, founder of TCMC

“As Thailand's pioneering private sector initiative focused on reducing greenhouse gas emissions through carbon credit trading and raising climate action awareness, we are proud

to have grown from 11 founding members to 1,300 in just three years. We foster collaboration among stakeholders and strive to build a transparent, efficient carbon market. Committed to working with regional partners, we support the ASEAN Common Carbon Framework, paving the way for a sustainable, low-carbon future in Southeast Asia, ensuring our collective efforts resonate on a global scale," said Chaiwat Kovavisarach, Group CEO and President of Bangchak Corporation, and founder of the Thailand Carbon Markets Club.

Quote from Oi-Yee Choo, CEO of Climate Impact X and Co-lead of SSFA's Carbon Markets Workstream:

"This MoC builds on the strong ties within ASEAN, particularly among its industry players. It marks a significant milestone as regional industry bodies come together to foster the development of high-quality carbon projects that will contribute to global climate action. This agreement is an important first step and SSFA is proud to champion this initiative from Singapore. We are committed to mobilising Singapore's vibrant climate services and carbon trading ecosystem to support the growth of ASEAN's Carbon Markets."

About MCMA

The Malaysia Carbon Market Association (MCMA) is a non-profit organisation established to facilitate the development of the Malaysian carbon market. The association currently comprises corporates from the carbon market ecosystem. MCMA is also dedicated to bridging communication among key stakeholders, engaging with the government to ensure policies related to carbon market being developed will be practicable, and promote the efficient, ethical and professional growth of the carbon market industry.

For further information or enquiries on MCMA, visit www.mycarbonmarket.org.

About AACM

ASEAN Alliance on Carbon Markets (AACM) aims to scale the growth of voluntary carbon markets across ASEAN (the Association of Southeast Asian Nations) and support the implementation of compliance markets. AACM is the first private sector-led body to advocate for cross-border efforts in the areas of carbon market development. The alliance fosters a regional ecosystem and acts as a focal point for international partnerships, with activities including capacity building and technical assistance.

For further information or enquiries on AACM, visit www.aseancarbonalliance.com or email contact@aseancarbonalliance.com.

About IDCTA

The Indonesia Carbon Trade Association (IDCTA) is a non profit organization registered under the law of the Republic of Indonesia facilitating its members which include carbon project owners, developers, technical assistances, investors, and off takers. These members are coming from technology as well as nature based projects; such as renewable energy, industry efficiency, agriculture, waste management, digital technology solutions, blue-marine carbon to forestry and other land use (FOLU). IDCTA missions are being the government's strategic partner in carbon trade, advocating member's interests to excel in global competitiveness, innovating carbon economy through framework of research and development, and prioritizing organization as well as business ethics to uphold the dignity and integrity of association, people and nation. For more information on IDCTA kindly visit www.idcarbontrade.org.

About TCMC

The Thailand Carbon Markets Club (TCMC), established in June 2021 by Bangchak Corporation Plc., BCPG Plc., and nine other organizations, is the country's first not-for-profit private-sector initiative dedicated to carbon credit trading and climate awareness. Now with over 1,300 members, TCMC supports carbon credit and renewable energy certificate (REC) trading through innovative tools such as a carbon credit trading platform, Carbon Footprint Tracking for Organizations (CFO), and the "MyCF" Carbon Footprint Calculator for Individuals (CFI). Through webinars, forums, and communications series, TCMC drives carbon market participation and awareness, contributing to Thailand's low-carbon transition.

For further information or enquiries on TCMC, contact info@carbonmarketsclub.com

About SSFA

The Singapore Sustainable Finance Association (SSFA) is an industry body established by the Monetary Authority of Singapore (MAS) along with the financial industry in January 2024. Building on the successful work of the Green Finance Industry Taskforce (GFIT), SSFA is established to collaborate across the financial and real economy sectors to support the growth of Singapore as a trusted, vibrant, and inclusive sustainable finance centre. SSFA welcomes participation from financial services, non-financial sector corporates, academia, non-governmental organisations, policymakers and other industry bodies.

For further information or enquiries on SSFA, visit www.ssfa.org.sg or email info@ssfa.org.sg.

For further enquiries, contact
info@mycarbonmarket.org

**This press release is issued by Imej Jiwa Sdn Bhd, Yinson Holdings Berhad's PR agency, on behalf of MCMA in collaboration with the Carbon Market Working Group of ASEAN-BAC Malaysia.*