Media Release

SSFA Launches Second Edition of the Singapore-Asia Taxonomy for Sustainable Finance and an Addendum on Enabling Activities that Support Green and Transition Activities

COP31 Antalya, 11 November 2026 – The Singapore Sustainable Finance Association (SSFA), supported by the Monetary Authority of Singapore (MAS), today launched the second edition of the *Singapore-Asia Taxonomy for Sustainable Finance* (SAT). The revision updates technical screening criteria across four sectors: Energy, Maritime, Iron and Steel, and Data Centres. Alongside the SAT revision, an addendum to the *Guidance for Leveraging the Singapore-Asia Taxonomy in Green and Transition Financing* has also been published, providing expanded guidance on enabling activities that support green and transition outcomes across the economy.

Since its launch by MAS and the Green Finance Industry Taskforce (GFIT) at COP28 in December 2023, the SAT has become a key reference for financial institutions and corporates assessing transition finance eligibility across the region. As businesses navigate rising costs, supply-chain disruptions, and technological change, it remains important that the SAT's technical screening criteria remain fit for purpose. This second edition, drawing on industry feedback gathered throughout the revision process, keeps the SAT aligned with evolving decarbonisation pathways and provides a credible, practical basis for transition finance across Asia.

(I) Sector-specific updates

The four sectors were prioritised for their significance to the region's transition finance needs. Singapore's power sector alone accounts for around 40% of the country's carbon emissions. Maritime is widely regarded as one of the hardest sectors to decarbonise, and as the world's largest bunkering port, Singapore has a significant role to play in the sector's transition. Asia's iron and steel fleet is young enough that most of today's capacity could still be operating in 2050. Singapore currently hosts more than 70 data centre facilities, with demand accelerating further on the back of AI adoption.

Across all four sectors, the revision shifts the emphasis toward measurable emissions performance rather than prescribed technologies, while strengthening interoperability with relevant international frameworks. The key changes are as follows:

- For **Energy**, Amber thresholds are now anchored to the Global Energy and Climate Outlook (GECO) 2024 NDC-LTS scenario[1], a scientifically grounded, Southeast Asia-specific decarbonisation pathway that will continue to support credible transition efforts without undermining net zero ambitions. Facilities can continue to pursue deeper decarbonisation and qualify as Green. Green thresholds remain aligned with

[1] https://joint-research-centre.ec.europa.eu/scientific-activities/global-energy-and-climate-outlook/geco-2024_en.

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internationally recognised low-carbon electricity benchmarks to support interoperability with frameworks such as the EU Taxonomy. Both sets of thresholds place reduced emphasis on any single technology pathway, allowing a wider range of low-carbon options to demonstrate alignment.

- For **Maritime**, criteria are aligned with the International Maritime Organisation (IMO)'s 2023 GHG Strategy[2] and adopt the IMO's definition of zero- and near-zero-emission fuels, with increased interoperability with the EU Taxonomy and ASEAN Taxonomy, and reporting requirements kept close to the data vessel operators already collect.
- For **Iron and Steel**, eligibility moves away from mandating specific technologies, such as carbon capture, utilisation and storage (CCUS) or minimum scrap metal content, towards an emissions-intensity basis. Thresholds are set with reference to the International Energy Agency (IEA) Net Zero Emissions by 2050 (NZE)[3] and Sustainable Development (SDS) Scenarios[4], with technology archetypes drawn from the Mission Possible Partnership's Net-Zero Steel initiative[5]. This technology-neutral approach allows a range of production routes, including upgraded blast furnaces, hydrogen-based direct reduction and others that may emerge as the sector decarbonises, to qualify based on what they achieve rather than the technology they use.
- For **Data Centres**, criteria remain strictly aligned with Singapore's Building and Construction Authority-Infocomm Media Development Authority (BCA-IMDA) Green Mark framework[6]. For facilities outside Singapore, particularly in water-stressed locations, the taxonomy now recognises a trade-off between Power Usage Effectiveness (PUE) and Water Usage Effectiveness (WUE), so those facilities are not penalised for prioritising water conservation.

The revision draws on insights from over 15 organisations engaged during initial consultations, and sectoral working groups of over 55 members across financial institutions, corporates, government agencies and others, with DNV as knowledge partner. The revised SAT translates evolving sector-specific decarbonisation pathways into measurable, actionable eligibility criteria, promoting consistent application, building market confidence, unlocking financing opportunities, and advancing transition finance across the region.

(II) Addendum on Enabling Activities

The revision also includes an addendum to the *Guidance for Leveraging the Singapore-Asia Taxonomy in Green and Transition Financing*, first published by the SSFA in July 2025. The addendum provides greater clarity on how financiers may support enabling activities that are critical to the delivery of green and transition outcomes. It introduces a value chain illustration,

[2] https://www.imo.org/en/ourwork/environment/pages/2023-imo-strategy-on-reduction-of-ghg-emissions-from-ships.aspx.
[3] https://www.iea.org/data-and-statistics/charts/direct-co2-intensity-of-the-iron-and-steel-sector-in-the-net-zero-scenario-2010-2030.
[4] https://iea.blob.core.windows.net/assets/eb0c8ec1-3665-4959-97d0-187ceca189a8/Iron_and_Steel_Technology_Roadmap.pdf.
[5] https://dvvfw3pu42z1e.cloudfront.net/assets/custom/010856/downloads/Making-Net-Zero-Steel-possible-steel.pdf
[6] https://www.imda.gov.sg/-/media/imda/files/news-and-events/media-room/media-releases/2024/05/green-dc-roadmap.pdf.

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categorising enabling activities by stage: raw materials and manufacturing; distribution; installation; and professional services.

This builds on, and extends beyond, what the International Capital Market Association (ICMA)'s Green Enabling Projects Guidance [7] addresses on green-enabling activities. The addendum additionally addresses transition-enabling activities and clarifies how equity investments, alongside bonds and loans, may fall within scope. These activities are necessary for the development, manufacturing and implementation or scaling up of SAT-aligned green or transition activities, even where they do not themselves deliver the end environmental outcome.

As enabling activities do not constitute a standalone financing label, the addendum sets out safeguards for financiers, including ring-fencing proceeds, verifying traceable end-use, and ensuring clear, attributable environmental benefits, to mitigate the risk of green or transition-washing.

Through this revision, SSFA and MAS seek to keep the SAT responsive to the pace of technological change and evolving regional transition financing needs, supporting continued capital mobilisation toward a more inclusive, resilient and net-zero future for Southeast Asia. As a living document, the SAT may be revised over time to reflect future developments.

Download the SAT second edition here and the addendum on enabling activities here.

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Ms Abigail Ng, Chief Sustainability Officer, MAS, said, "The second edition of the Singapore-Asia Taxonomy ensures that the SAT continues to reflect developments in sectoral transition pathways, technology and practical implementation experience. This gives financial institutions and companies greater clarity and confidence to finance green and transition activities in Asia. SSFA's expanded guidance also recognises the importance of supporting the wider range of activities needed across value chains to deliver green and transition outcomes. Together, the revised taxonomy and expanded guidance can broaden the range of opportunities for capital to support the region's transition."

Ms Sylvia Chen, Project Co-lead and Head of ESG Research, Asia, Amundi, said, "We are pleased to have contributed to the second edition of the Singapore-Asia Taxonomy for Sustainable Finance and the updated guidance on enabling activities. The four sectors covered are central to Asia's transition, while the use of region-specific pathways, measurable emissions thresholds and a technology-agnostic approach provides flexibility as solutions evolve. For investors, a credible and practical taxonomy can support more consistent assessments of transition opportunities and help mobilise capital towards Asia's decarbonisation".

[7] https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/green-enabling-projects-guidance/.

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Ms Shilpa Gulrajani, Project Co-lead and Managing Director, Head of Sustainable Finance, DBS, said, “Asia’s climate transition continues to be underpinned by evolving technologies and transition pathways. We are confident that the updated Singapore-Asia Taxonomy creates a stronger, more practical frame of reference between real economy and financial actors. For corporates and lenders, this taxonomy provides a consistent basis for how green and transition capital can be deployed with confidence. For capital markets, it facilitates informed investor-issuer dialogues, allowing us to connect credible Asian transition plans with the capital needed to put them into action.”

Ms Assyl Ikhsan, Project Co-lead and Head of Global Wholesale Banking Sustainability Office, OCBC, said: "Asia's transition will require significant capital to flow into sectors that are critical to economic development yet difficult to decarbonise. For that capital to be deployed with confidence, market participants need clear, credible and practical frameworks that keep pace with evolving technologies and transition pathways. The second edition of the Singapore-Asia Taxonomy strengthens its relevance through updated, science-based criteria while maintaining a pragmatic focus on implementation. Together with the enhanced guidance on enabling activities, it provides greater clarity on how financiers can support not only transition activities themselves, but also the broader value chains needed to deliver real-world decarbonisation outcomes.”

Mr Thomas Leonard, Knowledge Partner and Head of Section, Sustainability Services, DNV, said, “DNV is proud to have supported SSFA, MAS and industry stakeholders in the development of the second edition of the Singapore-Asia Taxonomy. The revised criteria strengthen the Taxonomy's alignment with evolving decarbonisation pathways while balancing scientific rigour, interoperability with relevant international frameworks, and practical implementation considerations. By focusing on measurable emissions performance and credible transition outcomes, the Taxonomy can help build market confidence and support the mobilisation of capital towards Asia's transition”.

Ms Kavitha Menon, SSFA Director, said “SSFA serves as a convening platform for stakeholders across the sustainable finance ecosystem, and industry collaboration has been central to this revision of the Singapore-Asia Taxonomy. Financing Asia’s transition means looking beyond activities that are already green. As one lever among several, taxonomies help define what credible transition looks like. For capital to flow at scale, they need to work alongside transition plans, supportive policy, and a pipeline of bankable projects. SSFA will continue to bring the financial sector and the real economy together to drive this forward.”

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About the Singapore Sustainable Finance Association

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 the financial industry, corporates, academia, NGOs, professional services, regulators, government agencies, and industry bodies. Together, SSFA aims to contribute to shaping policy and regulatory developments, drive innovative products & solutions, foster capacity building, and enable international collaboration. SSFA's work focuses on six themes: carbon markets, transition finance, blended finance, natural capital and biodiversity, taxonomy, and adaptation and resilience. Read more about SSFA here.

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