

INDIA CONSTITUTED A NATIONAL DESIGNATED AUTHORITY TO IMPLEMENT ARTICLE 6 OF THE PARIS AGREEMENT

The Ministry of Environment, Forest and Climate Change (MOEFCC), Government of India vide notification dated 22nd August, 2025 announced the constitution of a 'National Designated Authority (NDA),' which is a mandatory requirement under the provisions of the 2015 Paris Agreement to enable a carbon emissions trading regime. NDA is a 21-member committee headed by the Secretary of the MOEFCC. Representatives include officials from the Ministry of the Govt. of India and NITI Aayog among others.

Article 6 of Paris Agreement defines the contours under which such an emissions trading regime, or a market, can take shape. One of the long-standing bones of contention among countries, Article 6, was finally passed by countries at the 29th edition of the climate COP in Baku, Azerbaijan, in November 2024. Though most of the necessary nuts and bolts to make operational such a carbon market supervised by a United Nations body were in place since 2022, there were several niggles, particularly on ensuring that the carbon credits generated are genuine and its antecedents are transparent.

National Designated Authority shall, *inter alia*, issue directions with respect to the matters relating to Article 6 of the Paris Agreement based on the decision of the Conference of the Parties to the Paris Agreement.

Source: <https://tinyurl.com/TheHinduNDA>

EUROPEAN COMMISSION LAUNCHES CONSULTATION ON UPCOMING CIRCULAR ECONOMY LAW

The European Commission plans to propose a Circular Economy Act to enhance the EU's economic security and competitiveness, while promoting more sustainable production, circular economy business models and decarbonisation. The proposed Act will facilitate the free movement of 'circular' products, secondary raw materials and waste. It will also increase the supply of high-quality recycled materials and stimulate demand for these materials in the EU.

The European Commission has launched the consultation and feedback for its upcoming Circular Economy Act, aimed at accelerating the transition to a more circular economy, and targeting goals to double the EU's circularity rate, and establish the EU as the world leader on the circular economy by 2030. Consultation and feedback period is open from 1st August 2025 till 6th November 2025. The Commission aiming to adopt the Circular Economy Act in 2026.

The circularity rate in the EU has remained nearly flat over the past several years, reaching only 11.8% in 2023

from 10.7% in 2010. The Commission said that it aims to solve a series of problems through its planned upcoming Act, including the EU's dependence on the import of many raw materials, including critical ones, as well as Europe's insufficient resource efficiency and the lack of internalization of the environmental externalities of the linear economy.

Source: <https://tinyurl.com/EUCEA>

NORWAY LAUNCHES WORLD'S 1ST MERCHANT CO₂ STORAGE

Norway begins shipping and storing industrial CO₂ under the seabed in Northern Lights project which is the world's first merchant CO₂ transportation and storage project. The first phase has a capacity of 1.5 million tonnes of carbon dioxide per year, which has already been fully booked by industrial customers in Norway and continental Europe. A final investment decision on the second phase was made in March 2025. That expansion is expected to boost storage capacity to more than 5 million tonnes annually from 2028.

The project has signed agreements with five companies across the region to supply emissions. The Northern Pioneer, a CO₂ transport vessel was docked in Norway as part of the project. The ability to transport and store carbon dioxide provides opportunity to emitting industries to cut their climate impact. CO₂ captured at industrial sites will be liquefied, shipped to an onshore receiving terminal in western Norway and then piped for permanent storage beneath the seabed.

Source: <https://tinyurl.com/norwayCO2seabed>

SINGAPORE DELAYS CLIMATE DISCLOSURES FOR SMALLER FIRMS

The Accounting and Corporate Regulatory Authority (ACRA) and Singapore Exchange (SGX) have decided to defer climate disclosure requirements for small and mid-sized listed companies. Initially, all companies were to align their reports with the International Sustainability Standards Board (ISSB) standards from January 2025. Now, only the largest companies are required to follow the given timeline, while smaller firms get up to five extra years.

Under the revised plan, Straits Times Index (STI) companies will continue reporting as per ISSB from FY2025. Non-STI listed companies valued above \$1 billion will begin reporting as per ISSB in FY2028, and non-STI listed companies valued below \$1 billion will only need to comply with the requirement in FY2030.

The change comes on the back of recommendations from the Singapore Business Federation, which highlighted that many smaller firms lacked confidence and resources to meet the 2025 deadline. Despite the extensions, all listed companies must report Scope 1 emissions (direct emissions from their operations) and Scope 2 emissions (emissions from purchased electricity) starting this financial year.

Regulators noted that this information is important for tracking a company's decarbonisation progress. When it comes to Scope 3 emissions (indirect emissions from supply chains and product use), STI companies must begin reporting from FY2026. For all other listed companies, Scope 3 reporting is voluntary for now, given the difficulties in measuring these emissions accurately.

Another important change is the delay in external limited assurance. This process involves an independent third party verifying a company's emission data. It was initially supposed to apply sooner, but has now been postponed to FY2029 for listed companies and FY2032 for large non-listed companies. For large non-listed companies (those with revenue above \$1 billion and assets above \$500 million), the requirement to follow ISSB standards has also been delayed, shifting from FY2027 to FY2030.

Regulators explained that the decision reflects the need to balance compliance costs with giving companies time to build up climate reporting capabilities.

Source: <https://tinyurl.com/singaporeclimatedisclosure>

CHINA TO IMPOSE ABSOLUTE EMISSIONS CAPS FOR CARBON MARKET

China will impose absolute emissions caps in selected industries beginning in 2027, marking a major shift in the country's approach to carbon regulation. The announcement, made by the State Council and Central Committee of the Communist Party, sets out a roadmap for expanding its national carbon market into a fully established emissions trading scheme (ETS) by 2030. The ETS will expand by 2027 to cover major emitting sectors, though specific industries were not listed. Analysts expect chemicals, petrochemicals, papermaking and domestic aviation to be among those included. This builds on China's 2023 commitment to broaden its market beyond the power sector to cover steel, cement, and aluminium — sectors that together account for about 60% of the country's greenhouse gas emissions.

Under the new system, companies will still receive a quota of free carbon emissions allowances (CEAs). If they emit beyond their allocation, they must purchase additional allowances; if they come in under, they can sell the surplus. The regulation also opens participation to banks and financial institutions, a move expected to boost liquidity and strengthen price discovery. Still, experts caution that the system's effectiveness will hinge on reducing the large share of free allowances that have so far limited the market's impact on cutting emissions.

Source: <https://tinyurl.com/chinacarbonmarket>

WORLD WATER WEEK 2025 OPENS IN STOCKHOLM

World Water Week marks its 35th edition this year. Launched in 1991 as a local celebration of clean water, it has evolved into the leading global conference on water issues, co-created in collaboration with over 500 partner organizations. Organized by the Stockholm International Water Institute, this year annual conference theme is "Water for Climate Action" and it will run throughout the week starting from 25th August, featuring various sessions and events aimed at accelerating solutions to the climate crisis.

One of the highlights of the water week is a high-level panel discussion on August 26 on "Water's Pathway in Global Processes," where government leaders, UN officials, and representatives from science and civil society will debate how water can shape global agendas from COP30 to the 2026 UN Water Conference. The conference comes ahead of the UN climate change conference in Brazil, also known as COP30, where governments are expected to deepen commitments made under the Paris Agreement.

Source: <https://tinyurl.com/worldwaterconference>

SINGAPORE & THAILAND SIGN CARBON CREDITS AGREEMENT

Singapore and Thailand have signed a deal for greenhouse gas mitigation. For Singapore, this is its first agreement with an ASEAN country in this regard. The agreement provides set of rules and processes for developing and transferring carbon credits between the two countries.

The countries will focus on a range of projects in areas including forestry, clean energy, and zero-emission transport. For Thailand, channelling funds into these projects will help unlock more opportunities for green development. On the other hand, Singapore will benefit from having access to verified carbon credits. This is mutually beneficial for them to advance their climate targets.

Not only does the deal aim to reduce carbon emissions, but for local communities in Thailand, it also promises tangible benefits. For example, it can bring employment generation, improved waste management, better energy efficiency, and a reduction in environmental pollution. This shows that carbon credit projects can tackle climate change as well as deliver social and economic benefits to people on the ground.

Source: <https://tinyurl.com/singthailand>

SEC MOVES COURT OVER DISPUTED CLIMATE DISCLOSURE AUTHORITY

The US Securities and Exchange Commission (SEC) is dealing with an unusual legal situation involving its climate disclosure rules. SEC asks court to decide if it had the authority to issue climate disclosure rules. These rules, which were created by a previous commission, would have required publicly traded companies to disclose their greenhouse gas emissions. However, the rules were paused after legal challenges claimed that the SEC overstepped its authority. When President Trump took office, the SEC officially froze the rules.

Instead of going through the normal rule-making process, which involves public engagement and can take years, the current SEC has asked the Court to decide whether it had the legal authority to issue the rules in the first place. A court ruling could limit SEC's future regulatory powers and affect how investors assess climate-related financial risks.

This approach is unusual because SEC should review and reissue rules through the required process when a new administration wants to change them, rather than letting a court limit its own powers. Legal experts say that the SEC appears to be avoiding its legal obligations by not directly deciding on the rules and skipping the public input process.

Source: <https://tinyurl.com/SECClimateRules>