

Responding to the Green Economy Agreement (GEA) Australia-Singapore
Inviting Submissions on the Environmental Goods and Services Lists

From the ESG Institute:

- *Are the lists complete or should new environmental goods and services be added? If yes, what additional goods and services should be included?*

The lists are not yet complete. In order to accelerate the green transition, economies and businesses need physical equipment, financing, and the greens skills and services required to support the installation, maintenance, and operations of these green good and services. They also need to shift leadership and decision-making from traditional business as usual to green management and green leadership.

This requires integrating new parameters, priorities, and valuations into how business operates. It is a change management and educational challenge which, if left unaddressed, will hinder the pace at which the green economy will grow.

Green management and green leadership integrate the principles of sustainability, Environment, Social, and Governance (ESG) and circularity into strategy, KPIs, and business operations. Our research at the ESG Institute finds that just 14.1% of organizations are currently taking significant, active steps on the pathway to the green economy while 20.9% are making smaller steps.¹ Green leadership is required to accelerate business action beyond historical business-as-usual practices.

While economic opportunities from the GEA and regulatory clarity encouraging and enforcing the value of prompt green economy-aligned action is important, so too is a change in the way we account (green accounting), design (green architecture), and enact (green law). This trio of accelerating factors are covered in the current list. However, the fourth pillar of green leadership (covering strategy, decision-making, change management, and capacity building) is still missing.

In the same way that

82120 ex	Legal advisory and representation services concerning other fields of law	86120 ex	Legal advisory and representation services in statutory procedures of quasi-judicial tribunals, boards, etc.
82221 ex	Accounting services	86219 ex	Other accounting services
83211 ex	Architectural advisory services	86711 ex	Advisory and pre-design architectural services

are recognized as part of the GEA, we recommend that leadership and management training that aligns to the green transition be included in the list of approved services.

¹ State of Sustainability Report Edition 2 (2023), the ESG Institute. N=293, data based on director and executive perspectives on their own businesses across Singapore, Australia, and ASEAN.

We also recommend that consultants who advice on green transition planning and green strategy operate to aligned standards and frameworks and are certified as a professional practice to ensure that these consultants understand the ethical and fiduciary duties that comes with labelling and marketing their services as "green." Such oversight supports the integrity and credibility of green services.

- *What else can the Australian Government do to help boost two-way trade and investment in environmental goods and services with Singapore?*

We'd like to see the Australian Government encourage an alignment in Scope 3 reporting, per the Greenhouse Gas Protocol and other green standards (such as for biodiversity and plastics) that covers all goods and services traded between the two countries. This clarity in multi-factor Scope 3 reduces costs of measurement and reporting while preserving the need for transparency where there's climate impact.

Focus on Scope 3 also encourages the necessary integration of key components for a sustainable green future. It's increasingly clear that unless we make efforts to preserve biodiversity and address waste in its varied forms, progress on climate and circularly will proceed at a pace that increases both adaption costs and climate risk—at the social/governmental level and the business level.

As an early mover action, clear multi-factor Scope 3-style reporting will also encourage the development of the tools and capacities that can be exported further afield for new markets and maintain the position of the GEA as cutting edge.

- *Is your business experiencing any barriers to trading environmental goods and services with Singapore? If yes, please elaborate.*

NA

- *How do you see Australia and Singapore working together to further facilitate global trade in environmental goods and services?*

Through cutting-edge leadership with the GEA, through clarity and alignment of regulations, and by deliberately creating markets through government purchasing of green products and services, Australia and Singapore can support the creation of new markets and model better practices that are commercially viable on a global scale. By setting the standard, you help businesses from these two countries to scale to deliver to the EU and other markets. All of this is pragmatic economic sense. In addition, and even more importantly, you ensure a better planet for future Australian and Singaporean generations.



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