Publication: PHSY ORG Online
Date: 28 February 2023
Headline: Report: Policymakers in Singapore should act to overcome climate adaptation shortcomings

Report: Policymakers in Singapore should act to overcome climate adaptation shortcomings

Far-reaching interventions are needed to overcome shortcomings in Singapore's approach to climate adaptation projects.

This was the main conclusion of a new paper from the Singapore Green Finance Center, an initiative of Imperial College Business School and Singapore Management University.

Despite Singapore's ambitious urban adaptation approach, which is widely considered a model among capital cities elsewhere, shortcomings exist, especially in terms of knowledge and partnerships, the paper has found.

Exposure to climate hazards is of great national significance in Singapore, with the Prime Minister Lee Hsien Long projecting that Singapore would need to invest at least S$100 billion over the next 100 years to protect the country against rising sea levels.

Accordingly, in 2019, the Singaporean Government committed S$110 billion to adapting the city, to reduce the impact of climate change, by the end of the century. This funding commitment was made on top of generous funding in the previous decade of its ambitious water sensitive urban design (WSUD) program (its ABC package) and activities to tackle rising sea levels.

However, it remains unclear as to whether this commitment matches the total activity needed in the city to address the predicted scale of impacts and economic losses it could incur. Further, a recent Swiss report estimated that between 1–20.2% of Singapore's GDP could be lost by the mid-century as a result of climate change.

The report is co-authored by researchers from the Singapore Green Finance Center (SGFC)—an initiative of the Center for Climate Finance & Investment (CCFI) at Imperial College Business School and Sim Kee Boon Institute for Financial Economics (SKBI) at

Publication: PHSY ORG Online
Date: 28 February 2023
Headline: Report: Policymakers in Singapore should act to overcome climate adaptation shortcomings

Singapore Management University (SMU)—and backed by the Monetary Authority of Singapore (MAS). The report, Are Markets Interested in Adapting to Climate? Insights From Singapore, has collated the views of leading practitioners in Singapore and offers several policy recommendations.

According to the paper, co-authored by Stella Whittaker, a Visiting Researcher at Imperial's CCFI and Dr. Tran Bao Phuong Nguyen, a Research Fellow at the SGFC and based at SMU, although a sense of urgency to tackle adaptation has been widely communicated from the top down, Singapore has not yet clearly articulated a role for the private sector and the market in financing adaptation.

"The findings of this report highlight that more could still be done to facilitate diverse sources of finance for adaptation measures, and that Singapore could experience problems into the future realizing its ambitious goals and plans without a more diverse engagement in the solutions," said Stella Whittaker.

"Far-reaching 'transformation' of the market is required to overcome current barriers to investment and enable the market to mature. The Singapore Government needs to signal to the private sector its intentions more clearly regarding the role for private capital in adaptation in the city and the nation," she added.
Overcoming barriers to climate adaptation

In spite of the barriers to adaptation finance, which has rendered private sector interest in such types of investment low, the researchers identify a clear interest from the investment community to increase knowledge on financing adaptation, as well as a willingness from some to consider experimentation in deal structures and payment schemes.

"Without massive investments in adaptation, cities, their economies, infrastructure, and people, are highly vulnerable to climate-induced extreme events which will be very costly to all. Even in a city such as Singapore with a well-developed publicly funded urban adaptation program, impacts and economic consequences could be much higher than anticipated and markets are surely needed to help avert catastrophic damages," Dr. Nguyen said.