



MEDIA RELEASE

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ENHANCEMENTS TO THE ENERGY EFFICIENCY FUND (E2F) TO SUPPORT INVESTMENT IN ENERGY EFFICIENT TECHNOLOGIES

70 per cent support for pre-approved energy efficient technologies from 1 April 2023

Singapore, 2 March 2023 – To help manufacturing companies, including small and medium-sized enterprises (SMEs), improve energy efficiency, the National Environment Agency (NEA) will further enhance the Energy Efficiency Fund (E2F). The enhanced E2F will provide 70 per cent support for pre-approved energy efficient technologies, with simplified measurement and verification (M&V) requirements¹.

Pre-approved Energy Efficient Technologies Eligible for 70 per cent Support

2 With effect from 1 April 2023, pre-approved energy efficient technologies will be eligible for a fixed 70 per cent support of qualifying costs, subject to a cap per facility based on the types of energy efficient technologies. Such pre-approved energy efficient technologies would include replacement of compressed air systems with air blowers and replacement of boilers with heat pumps.

Simplify Measurement and Verification Requirements

3 Currently, NEA requires M&V² to measure and verify energy savings of energy efficiency projects for E2F supported projects.

4 To ease the adoption of pre-approved energy efficient technologies, NEA will accept a simpler third-party assessment report in lieu of an M&V report for projects with grant amounts exceeding \$50,000. The M&V requirement will be waived for smaller projects adopting pre-approved energy efficient technologies with grant amounts of \$50,000 and below.

5 NEA will also provide 70 per cent support of qualifying costs for the third-party assessment service. Alternatively, E2F applicants can tap on the low-cost energy assessment services offered by the Energy Efficiency Technology Centre (EETC), a collaboration between NEA and the Singapore Institute of Technology (SIT) since 2020.

6 Please refer to **Annex** for more details on the E2F grant.

¹ M&V refers to the process of planning, measuring, collecting and analysing data to verify and report energy savings arising from projects.

² The current M&V process requires a qualified third-party to (i) develop an M&V plan, (ii) conduct baseline and post-retrofit measurement of all relevant parameters and (iii) submit an M&V report detailing the post implementation measurement results and energy savings achieved upon project completion.

Background

7 NEA administers the E2F, which was launched in April 2017. The E2F supports manufacturing companies, including SMEs, with annual group sales turnover not exceeding \$500 million, to invest in energy efficient technologies or equipment. The E2F also supports various energy efficiency and low carbon initiatives, such as implementing energy management information systems and conducting energy assessments.

8 In April 2022, NEA enhanced the E2F by increasing the support cap from 50 per cent to 70 per cent, with the grant rate varying according to the carbon abatement achieved by each project. Since the enhancement, various companies have benefited from adopting energy efficient technologies. As of January 2023, the E2F supported a total of 44 energy efficient technologies projects involving LED lightings, high efficiency air-conditioning systems, variable speed air compressors and boiler systems. These projects have achieved an estimated annual carbon abatement of around 2,000 tonnes, equivalent to taking about 700 cars off the road.

- End -

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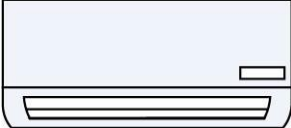
About the National Environment Agency

The National Environment Agency (NEA) is the leading public organisation responsible for ensuring a clean and sustainable environment for Singapore. Its key roles are to improve and sustain a clean environment, promote sustainability and resource efficiency, maintain high public health standards, provide timely and reliable meteorological information, and encourage a vibrant hawker culture. NEA works closely with its partners and the community to develop and spearhead environmental and public health initiatives and programmes. It is committed to motivating every individual to care for the environment as a way of life, in order to build a liveable and sustainable Singapore for present and future generations.



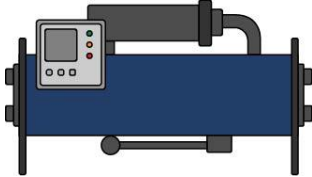
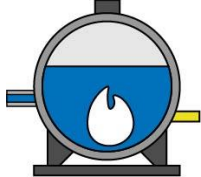
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Details on the Energy Efficiency Fund

Grant Objective	Encourage manufacturing companies, including SMEs, to invest in energy efficient equipment or technologies
Grant Support	<p>Based on the carbon abatement achieved, subject to a cap of 70 per cent of the qualifying costs which include:</p> <ul style="list-style-type: none"> • External manpower • Equipment or technology • Professional services <p><i>Singapore GST is excluded</i></p> <p>Disbursement requests must be audited by an external Certified Public Accountant (CPA) appointed by the company if the grant amount is more than \$100,000³. All costs incurred for engaging the CPA shall be borne by the company.</p>
Grant Eligibility Criteria	All Singapore-registered owners or operators of existing or proposed manufacturing facilities (i.e. SSIC code from 10XXX to 32XXX) with group annual sales turnover not exceeding \$500 million. The facility where the project will be implemented must be sited and operating in Singapore.
Project Eligibility Criteria	The project must involve installation and use of energy efficient equipment or technologies with proven track record of energy savings in an industrial facility. The project must result in energy savings.
Examples of Eligible Projects	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>LED Lightings (Efficacy of at least 100 lumens/watt)</p> </div> <div style="text-align: center;">  <p>Air-Conditioners, including Variable Refrigerant Flow (VRF) systems (Listed as 4/5 ticks under NEA's Energy Labelling Scheme)</p> </div> </div>

³ Audit by an external CPA will be waived for grant amount not exceeding \$100,000.

	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>Motors (Registered as IE4 and above under NEA's Minimum Energy Performance Standard)</p> </div> <div style="text-align: center;">  <p>Compressed Air System Dryers</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 20px;"> <div style="text-align: center;">  <p>Chilled Water System Air Handling Units Refrigeration System</p> </div> <div style="text-align: center;">  <p>Boiler System Furnaces and Ovens Heat Recovery System</p> </div> </div>						
<p>Measurement and verification (M&V) requirement</p>	<p>For motor, lighting (excluding lighting controls), and air-conditioner (including variable refrigerant flow system) retrofit projects, M&V requirement is waived.</p> <p>For non-pre-approved energy efficient technologies, applicants must submit an M&V Plan and an M&V report before and after project implementation respectively. Details include:</p> <ul style="list-style-type: none"> • M&V methodology to measure and verify the realised carbon abatement after implementation; • Baseline and post-implementation energy performance measurements; and • Carbon abatement calculations. 						
<p>PRE-APPROVED ENERGY EFFICIENT TECHNOLOGIES (NEW)</p>							
<p>Qualifying Criteria for Pre-approved Energy Efficient Technologies Eligible for 70 per cent Support and Corresponding Grant Cap</p>	<p>Energy Efficient Technologies that meet the following qualifying criteria will be provided with 70 per cent support of qualifying costs, subject to a corresponding grant cap per facility.</p> <table border="1" data-bbox="448 1753 1407 2016"> <thead> <tr> <th style="text-align: center;">Projects</th> <th style="text-align: center;">Qualifying Criteria</th> <th style="text-align: center;">Corresponding Grant Cap per Facility</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Lightings</td> <td> <ul style="list-style-type: none"> • Retrofit/replacement of fluorescent lightings to LED lightings with efficacy of at least 100 lumens/watt </td> <td style="text-align: center;">\$200,000</td> </tr> </tbody> </table>	Projects	Qualifying Criteria	Corresponding Grant Cap per Facility	Lightings	<ul style="list-style-type: none"> • Retrofit/replacement of fluorescent lightings to LED lightings with efficacy of at least 100 lumens/watt 	\$200,000
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Lightings	<ul style="list-style-type: none"> • Retrofit/replacement of fluorescent lightings to LED lightings with efficacy of at least 100 lumens/watt 	\$200,000					

Air-conditioning	<ul style="list-style-type: none"> • Retrofit/replacement of air-conditioning with no more than 3 ticks to air-conditioning with 4/5 ticks under NEA's Mandatory Energy Labelling Scheme (MELS). 	\$200,000
Compressed air system	<ul style="list-style-type: none"> • Replacement of compressed air system with air blowers; or • Replacement of compressed air system to be complemented with the following: <ul style="list-style-type: none"> • Incorporation of Variable Speed Drive (VSD)[^]; and/or • Installation of air receiver to address fluctuating compressed air demand; and/or • Conversion to zero purge desiccant dryers <i>[^]Only applicable when there is proof of variable loads/demands and variable loads/demands is more efficient than fixed speed application.</i> 	\$350,000
Boilers	<ul style="list-style-type: none"> • Replacement of boiler with heat pumps technology system; or • Replacement of boiler system to be complemented with the following: <ul style="list-style-type: none"> • Installation of economizer and/or condensate heat recovery; and/or • Installation of combustion trim system on burner that has an electronic gas/air ratio 	\$350,000
<p>Requirement for pre-approved compressed air system and boilers projects meeting the qualifying criteria eligible for 70 per cent support of qualifying costs will be simplified as follows:</p> <ul style="list-style-type: none"> • Projects with grant amount <u>of \$50,000 or less</u> – No M&V required. • Projects with grant amount <u>exceeding \$50,000</u> – Company to submit a third-party assessment report[#]. <p><i>#The third-party assessment report shall be conducted by a third-party qualified endorser based on the template prescribed by the Authority. Qualified endorser will include (i) PE (Mechanical, Electrical or Chemical Engineering), (ii) Energy</i></p>		

	<i>Efficiency Opportunities (EEO) Assessor or (iii) Singapore Certified Energy Manager (SCEM) from approved institutions.</i>
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