

New Rules on Refrigerants in Refrigeration and Air-conditioning Equipment: Implications for Business

On 28 May 2026, the National Environment Agency (“NEA”) announced a new suite of regulatory measures aimed at further reducing greenhouse gas (“GHG”) emissions from refrigeration and air-conditioning (“RAC”) equipment. Expanding on the hydrofluorocarbon (“HFC”) phase-down framework initiated in 2022, the upcoming regulations impose Global Warming Potential (“GWP”) limits on new commercial refrigeration systems and vehicle air-conditioning, alongside a mandatory registration and disposal framework for companies dismantling RAC equipment.

Context: The Existing 2022 HFC Phase-Down Framework

The announced upcoming rules build on the statutory framework under Part 10A of the *Environmental Protection and Management Act 1999* (“EPMA”) to reduce GHG emissions from the use of HFC refrigerants in the RAC sector, which came into effect on 1 October 2022. According to the NEA, these initial 2022 regulations apply to household air-conditioners and refrigerators, and water-cooled chillers used for large building cooling systems:

- Importers and manufacturers of “regulated goods” who supply such goods in Singapore, must be registered, and the supply of such goods (even if not by the importers or manufacturers) is prohibited unless such good are registered and do not require the use of a greenhouse gas or blend or mixture of greenhouse gases that have a global warming potential (“GWP”) exceeding the GWP limit for such goods:
 - GWP limit of 750 for a single-phase non-ducted room air-conditioner (split type (inverter)) with cooling capacity of 17.6 kW or lower that is not a single-phase variable refrigerant flow air-conditioner;
 - GWP limit of 750 for a single-phase non-ducted room air-conditioner (split type (non-inverter)) with cooling capacity of 17.6 kW or lower;
 - GWP limit of 1055 for an electrically driven water-cooled chiller with a cooling capacity of 1,055 kW or more that is used for one or more purposes that include producing chilled water for air-conditioning; and
 - GWP limit of 15 for a single-phase refrigerator with an adjusted volume of up to 900 litres.

GWP Limits for RAC Equipment from 2027/2028

From July 2027, new commercial refrigeration equipment such as those typically used in supermarkets (e.g., multipack compressor racks and semi-plug in water-loop systems) must use more environmentally friendly refrigerants with GWP not exceeding 150.

From July 2028, air-conditioning in new passenger cars and light goods vehicles must also comply with these requirements.

Registration and Framework for Dismantling RAC Equipment from 2027

Additionally, from 1 July 2027, businesses that are involved in the installation, maintenance, or decommissioning of:

- centralised commercial refrigeration systems typically used in supermarkets; or
- centralised industrial refrigeration systems for cold rooms (e.g., custom-built non-packaged systems);

or the dismantling of deregistered vehicles or refrigeration system for the purpose of disposal or exportation of:

- passenger cars & light goods vehicles; or
- refrigerated vehicles (e.g., refrigerated trucks);

must register with the NEA as “GHG entities” and follow proper disposal procedures for spent refrigerants, including:

- recovery of refrigerants with GWP of more than 15 from equipment during specified “GHG Works” that is not charged back into the equipment;
- ensuring that the refrigerants are sent to a licensed toxic industrial waste collector for recycling / reclamation / destruction; and
- maintenance and submission of records of regulated GHG works.

For Reference: The Existing Framework for Regulated GHG Works

The legislative details for the new registration and disposal requirements have not been announced; for now, reference may be drawn from the current requirements under the EPMA for businesses carrying on the business of charging, maintenance, and decommissioning electrically driven water-cooled chillers that require for their use or operation a GHG refrigerant or a blend or mixture of GHG refrigerants, with a GWP of more than 15.

Such businesses must register as GHG entities; and carry out such works through or under the supervision of prescribed competent persons. They must establish and maintain policies, procedures and processes for such works and ensure that the works are carried out safely and without release of any refrigerant into the atmosphere from such chillers. For works involving the charging or maintenance of such chillers, the chillers must be inspected for any refrigerant leaks, and all refrigerant leaks found must be repaired. For works involving the decommissioning of such chillers, all refrigerants contained in the chillers must be recovered from the chillers. Any refrigerant recovered that is not charged back into such chillers must be sent to a licensed toxic industrial waste collector for storage, reprocessing, usage, treatment or disposal.

The GHG entities must also keep and maintain for at least 5 years, records containing information concerning such works and the competent persons carrying out or supervising such works, and recovered refrigerants sent to licensed toxic industrial waste collectors; and during this period, make these records available for inspection by the NEA when so requested; and submit the records to NEA in the time specified by NEA.

Implications of the Announced Measures for Businesses

As the announced GWP limits apply to new refrigeration systems and new vehicles, existing assets can be operated until the end of their economic life. However, capital expenditure planning for future facilities or installations, or fleet replacement or upgrades, must consider these new requirements. Businesses with procurement plans for commercial refrigeration systems or commercial vehicle fleets that use refrigeration systems or air conditioning systems containing GHG refrigerants with a high GWP may want to review their procurement contracts for these systems if entering into them after 30 June 2027 or if registering the vehicles after 30 June 2028 to avoid risking statutory non-compliance, project delays, or stranded assets. Manufacturers and importers, and other suppliers of such refrigeration or air-conditioning systems should look out for further details on requirements for registering themselves and the supplied systems.

Commercial and industrial refrigeration and air-conditioning contractors, automotive repair and servicing workshops, and logistics and transport vehicle maintenance centres who install, maintain, or decommission refrigeration systems, or dismantle deregistered vehicles, may also need to look out for further announcements closer to 1 July 2027 on the requirements on registration, the manner of carrying out the works, and record keeping and submission.

To mitigate compliance risks and manage the transition effectively, businesses should consider undertaking the following actions:

1. Map out the lifespans of current centralised refrigeration units, cold rooms, and vehicle fleets. Identify which assets are slated for replacement or major retrofitting close to or after the 2027/2028 implementation dates.
2. Prepare updates of engineering, procurement, construction, and supply chain templates to mandate that relevant refrigeration and automotive cooling systems delivered past the respective implementation dates of the new measures comply with the 150 GWP limit.
3. Prepare updates of service agreements with contractors for the installation, maintenance, or decommissioning of refrigeration systems; or dismantling of deregistered vehicles, requiring such contractors to be registered with the NEA by 30 June 2027.

Should you have any queries on this update or generally, please feel free to contact the undersigned.



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