

Alliance for Green Commercial Banks hosts “Green and Sustainable Capital Market Evolution Roundtable Session” (with photo)

The following is issued on behalf of the Hong Kong Monetary Authority:

The Alliance for Green Commercial Banks (the Alliance), co-launched by the Hong Kong Monetary Authority (HKMA) and the International Finance Corporation (IFC), co-hosted the "Green and Sustainable Capital Market Evolution Roundtable Session" with Standard Chartered virtually today (May 3).

The Alliance was jointly launched by the HKMA and the IFC in November 2020 to help banks develop the solutions needed to address climate change across emerging markets. As part of its knowledge-sharing and capacity-building efforts, the Alliance has been hosting a series of roundtable sessions on relevant topics. The sessions will equip participants with the knowledge needed to support them in their green banking transition, and will provide a platform for market participants from commercial banks, leading real sector companies, technology innovators, thought leaders, and regulators to share their first-hand experiences and intelligence.

The roundtable session was moderated by Head of Sustainable Finance, Asia, Standard Chartered Ms Tracy Wong Harris, and featured the following speakers:

- the Head of Market Development Division, HKMA, Mr Kenneth Hui;
- Executive Director, Finance, Airport Authority Hong Kong (AAHK) Mr Julian Lee;
- Global Head, Sustainable Bonds, Standard Chartered Mr Rahul Sheth; and
- Managing Director, APAC Co-Head of BlackRock Sustainable Investing Ms Emily Woodland.

During the roundtable session, speakers discussed the rapid growth of the sustainable finance market, the huge funding gap to achieve net zero, and the associated opportunities for global capital markets.

Ms Tracy Wong Harris said, "According to Standard Chartered's 'Sustainable Debt Market – Up, up and away' report, the global issuance of green, social, sustainable and sustainability-linked bond will grow 52 per cent year on year to US\$1.7 trillion in 2022, and continue surging to reach US\$4.2 trillion in 2025. With the vision to be the world's most sustainable and responsible bank, Standard Chartered is keen to help close the financing gap and meet our clients' sustainability aspirations through innovative sustainable finance solutions."

Mr Hui said, "We recognise the need and the urgency to tackle climate and environmental risk and transition to a more sustainable economy. Finance is key to driving that change. By consolidating our existing strengths and expertise and developing new and innovative capabilities, we hope to leverage on our role as an international financial centre to support the carbon neutrality goals and mobilise capital towards driving sustainable action in this region."

Mr Lee said, "AAHK aspires to develop Hong Kong International Airport to be one of the greenest airports in the world through a series of sustainability strategies including carbon reduction and green designs. Appropriate form of green financings, in AAHK's case, such as the five-year US\$1 billion green bond issuance earlier this year, would align such goals with the capital markets."

Mr Sheth said, "As the environmental, social and governance (ESG) debt market develops further, we see investor conversations become a lot more granular around the borrowers' overall sustainability aspirations, the management of ESG risks and the compliance with national and global decarbonisation trajectories. In that, the sustainability linked financing product has become the fastest growing category within the basket."

The Alliance will be hosting other roundtable events in the coming future. Participants will have the opportunity to learn and exchange knowledge with global sustainability and ESG experts, leaders in green finance and the real sector, as well as peers from across the region on topics including green finance, carbon neutrality, climate risk, ESG, market trends and opportunities, the policy environment, and more.

About the Alliance

The Alliance is an initiative that brings together financial institutions, research institutions, and innovative technology providers to develop a green community in emerging markets to collectively finance the infrastructure and business solutions needed to urgently address climate and environmental risks. The Alliance was launched in Nov 2020 by the IFC and its first regional anchor, the HKMA. For more information, please visit: www.allianceforgreencommercialbanks.org.

About IFC

The IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in emerging markets. The IFC works in more than 100 countries, using its capital, expertise, and influence to create markets and opportunities in developing countries. In fiscal year 2021, the IFC committed a record \$31.5 billion to private companies and financial institutions in developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity. For more information, please visit www.ifc.org.

About HKMA

The HKMA is Hong Kong's central banking institution. The HKMA's four main functions are: (i) maintaining currency stability within the framework of the Linked Exchange Rate System; (ii) promoting the stability and integrity of the financial system, including the banking system; (iii) helping to maintain Hong Kong's status as an international financial centre, including the maintenance and development of Hong Kong's financial infrastructure; and (iv) managing the Exchange Fund.



**The Alliance for Green Commercial Banks
Green and Sustainable Capital Market Evolution Roundtable Session
3 May 2022**

Moderator

Panel Speakers

Ms Tracy Wong Harris Head of Sustainable Finance Asia, Standard Chartered	Mr Kenneth Hui Head of Market Development Division, Hong Kong Monetary Authority	Mr Julian Lee Executive Director, Finance, Airport Authority Hong Kong	Mr Rahul Sheth Global Head, Sustainable Bonds, Standard Chartered	Ms Emily Woodland Managing Director, APAC Co-Head of BlackRock Sustainable Investing (BSI)