

SFST's speech at Construction Industry Council Global Construction Sustainability Forum and Exhibition 2023 (English only)

Following is the speech by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, at the Construction Industry Council (CIC) Global Construction Sustainability Forum and Exhibition 2023 today (November 21):

Distinguished guests, ladies and gentlemen,

Good afternoon. It is my great pleasure to join you at the CIC Global Construction Sustainability Forum today. I am very pleased to see that the forum will feature lots of insightful topics and has gathered many industry experts here to share views on creating a greener and sustainable future for Hong Kong.

Undoubtedly, the global community is facing huge and urgent climate challenges, and financial services will be a key tool for mitigation and transformation. Market estimates show that in the coming three decades, the Asian region alone will require US\$66 trillion in climate investment and global gross climate mitigation investment will need to reach about US\$5 trillion annually by 2030. These reflect the immense demand for green finance.

On this Hong Kong is well positioned to contribute our part, as our green and sustainable finance market is developing with rapid growth. The total green and sustainable debt (including both bonds and loans) issued in Hong Kong increased by over 40 per cent from 2021 to reach US\$80.5 billion last year, among which the volume of green and sustainable bonds arranged in Hong Kong accounted for 35 per cent of the Asian green and sustainable bond market, topping the league table of the region.

As a green and sustainable hub, Hong Kong is unwaveringly committed to achieving carbon neutrality and strives to expedite our position as a leading international green financial centre. As announced in the 2023-24 Budget, the Government will proceed in five directions, including (a) building a green technology ecosystem; (b) green finance application and innovation; (c) green certification and alignment with international standards; (d) training for talent; and (e) enhancing the exchange and co-operation with the Guangdong-Hong Kong-Macao Greater Bay Area and international markets. In the future, we will actively engage relevant stakeholders to build Hong Kong into an international centre for green technology and finance so as to leverage the tremendous opportunities across the Mainland, Asia and the rest of the world.

Data and technology play an important part for green transformation, and it is one of our key priorities for development. In June this year, the Financial Secretary has set up the Green Technology and Finance Development Committee to provide an important platform to promote Hong Kong as an international green technology and financial centre and to showcase Hong Kong's advantages to the world.

Also, the Green and Sustainable Finance Cross-Agency Steering Group announced in December last year that it had entered into a collaboration arrangement with CDP and developed a Climate and Environmental Risk Questionnaire for Non-listed companies/small and medium-sized enterprises. The Questionnaire is intended to assist the sustainability reporting processes of corporates concerned and raise their sustainability visibility to lenders, investors and supply chain clients for better accessing sustainability financing. It will also facilitate financial institutions' collection and assessment of company-level data for risk assessment and relevant business decisions. We will also develop a data portal to increase the availability and accessibility of climate-related data collected through the SME Questionnaire.

With a view to boosting Hong Kong's competitiveness in capturing the business opportunities and supporting net-zero transition, the Government has been making significant efforts in cultivating our talent pool required to empower green transformation. Meanwhile, we will continue to encourage the participation of market practitioners and related professionals in training through the Pilot Green and Sustainable Finance Capacity Building Support Scheme launched in December 2022. Market practitioners and related professionals as well as students and graduates of relevant disciplines can apply for a subsidy of up to HK\$10,000 after completing eligible programmes or accomplishing relevant qualifications.

At the end of this month, the COP28 conference will convene in Dubai, United Arab Emirates, to gather the global efforts in combating climate change. We look forward to hearing the inspiring discussion for fostering sustainability on a worldwide scale.

Ladies and gentlemen, green economic transformation will be the new engine for global economic growth. Our collective commitment and efforts will be crucial in establishing the foundation for a sustainable economy benefitting all of us. We value the opportunity to engage you to embrace sustainability and continue to develop Hong Kong as an international green finance centre.

Thank you, and I wish you all a most rewarding forum today.