

SFST's speech at Gala Dinner hosted by UAE Ambassador to China (English only)

Following is the speech by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, at the Gala Dinner hosted by the Ambassador of the United Arab Emirates to China today (January 23):

Your Excellency Al Hammadi (Ambassador of the United Arab Emirates to China, Mr Hussain Bin Ibrahim Al Hammadi), ladies and gentlemen,

It is an honour to join you tonight at this dinner. First and foremost, I would like to express my gratitude to the Consulate General of the United Arab Emirates for extending this invitation to me. Furthermore, I would like to take this opportunity to congratulate the United Arab Emirates on successfully hosting COP28, a significant milestone in the progress towards combating climate change.

The year 2023 concluded with a glimmer of hope for all those dedicated to achieving the climate goals set forth at COP28. The Hong Kong SAR Government was delighted to have our Secretary for Environment and Ecology, Permanent Secretary for Financial Services and the Treasury and Commissioner for Climate Change as representatives joining the Chinese delegation at COP28 in Dubai. Throughout the conference, the world witnessed several groundbreaking agreements that united global efforts to combat climate change, building upon the achievements of previous conferences. We deeply appreciate the remarkable pronouncements and key commitments made at COP28, including the establishment of a specific target to triple renewables and double energy efficiency by 2030, the conclusion of the Loss and Damage Fund, the launch of the Industrial Transition Accelerator, and various climate discussions aimed at reducing greenhouse gas emissions. These achievements have ushered the world into a new era of climate action, reflecting our unwavering determination to achieve net-zero emissions.

Hong Kong will be part of the global efforts and we are committed to contributing to the global climate goals. The Hong Kong SAR Government has allocated approximately HK\$240 billion to implement various measures for climate change mitigation and adaptation in the next 15 to 20 years, with the aim of achieving carbon neutrality before 2050.

We are eager to leverage our unique advantages in developing Hong Kong as a global green finance hub. As a leading green bond centre in Asia, we strive to provide a high-quality green financing platform for international issuers including those from the countries and regions along the Belt and Road Initiative. We lead by example and since 2019, the Government has issued approximately US\$24 billion of green bonds under the Government Green Bond Programme. On the overall growth of the market, the total volume of green and sustainable debt (including bonds and loans) issued in Hong Kong increased by over 40 per cent from 2021 to reach US\$80.5 billion in 2022. Hong Kong

accounted for one-third of the Asian green and sustainable bond market, taking a leading position in financing green and sustainable companies and projects.

In 2022, the Hong Kong Exchanges and Clearing Limited launched Core Climate, a voluntary carbon trading platform. Eligible participants can trade voluntary carbon credits on this platform to neutralise or compensate for their carbon emissions. Through the ongoing development of this platform, participants can effectively trade high-quality voluntary carbon credits, facilitating capital flow into green projects and fostering a new financial infrastructure for climate finance.

Our objective is to accelerate the development of Hong Kong into an international centre for green technology and finance. To this end, we have established a high-level Green Technology and Finance Development Committee, chaired by the Financial Secretary, to promote the rapid and substantial growth of green technology and green finance. In this year, we will launch a dedicated proof-of-concept subsidy scheme for green fintech, with a view to accelerating the growth and application of green fintech in Hong Kong. This scheme will provide early-stage funding support for the pre-commercialisation of green fintech innovations, thereby fostering the expansion of the industry in Hong Kong.

Hong Kong has long enjoyed a close relationship with the United Arab Emirates in various fields, including finance, commerce, and trade. During the Belt and Road Summit hosted in September of last year, we signed a Memorandum of Understanding (MOU) with the Department of Economy and Tourism of Dubai. This MOU aims to foster financial collaboration between Hong Kong and the Emirate of Dubai, signifying a closer bond for us in the fields of family office, fintech, virtual assets, and green finance, while also enhancing knowledge exchange between the two markets. We will continue to explore opportunities for financial co-operation between Hong Kong and the United Arab Emirates under the Belt and Road strategy, making further contributions to both of our markets.

Looking ahead, we eagerly anticipate collaborating with our friends from the United Arab Emirates. I firmly believe through enhanced financial co-operation and closer economic and trade ties, we can build a stronger relationship and create more mutually beneficial opportunities for the United Arab Emirates and Hong Kong.

Lastly, I would like to express my gratitude to the United Arab Emirates for your support and participation in the Asian Financial Forum, which will be held tomorrow. Once again, I extend my sincere appreciation for the invitation to this dinner, and I wish you all an enjoyable evening and a prosperous 2024. Thank you.