

Speech by FS at One Earth Summit (English only) (with photos)

Following is the speech by the Financial Secretary, Mr Paul Chan, at the One Earth Summit today (March 25):

Poman (Founder of the Institute of Sustainability and Technology, Professor Poman Lo), Ms Neo (Managing Director of the Centre for Nature and Climate of the World Economic Forum, Ms Neo Gim Huay), distinguished guests, ladies and gentlemen,

Good evening!

I have much pleasure to join you this evening at the Gala Dinner of the One Earth Summit. I trust you have had an immensely rewarding and engaging day thus far, filled with insightful discussions on finding the right solutions to address climate change and various sustainability issues. At this Gala Dinner, we gather not only to celebrate the successful conclusion of this Summit, but also look forward to continuing our conversations in addressing the pressing challenges ahead.

The title of this inaugural "One Earth Summit", vividly reminds us that it is this one planet that we all share as home. The World Meteorological Organization, or WMO, confirmed that 2023 was the hottest year on record by clear margin. And here in Hong Kong, we also experienced the hottest day in March for over 140 years. Extreme weather events have become regular news in the media. There is no alternative but we must act together with the utmost urgency before it is too late.

As a good global citizen, Hong Kong has been making proud contributions in combating climate change. First and foremost, we have set out clear targets to reach carbon neutrality by 2050, and halve our carbon emissions by the year 2035. We are taking concrete actions to achieve our targets, under a four-pronged strategy: net-zero electricity generation, green buildings, green transport, and waste reduction.

But that only marked the beginning of a long journey. And we are doing more. Just as in this year's Budget, more initiatives have been rolled out for a greener future. For example, in the green finance area, we will extend the Green and Sustainable Finance Grant Scheme for three years. This scheme is designed to provide financial support to issuers and borrowers for their expenses related to green bond issuance and external review. Furthermore, we are expanding its scope to cover transition bonds and loans.

In addition, in the next few months, we will roll out a new subsidy scheme to support early-stage green fintech ventures to foster the better integration of fintech and green finance.

In fact, green transition calls for massive investments, and there is a huge funding gap. According to the WMO, to reach the 1.5°C target in the Paris Agreement, annual climate finance investments need to grow by more than six times to reach around US\$ 9 trillion by 2030 and US\$ 10 trillion through to 2050.

As Asia's green finance centre, with green and sustainable bonds issued by us accounting for one-third of Asia's total, Hong Kong is well-positioned to help match funds with green projects. Besides, we possess high-quality professional services that help ensure projects' alignment with international green standards. We have also put in substantial resources in education and training programmes to nurture talents. We are fully committed to cultivating a comprehensive green and sustainable finance ecosystem that will support the great green transformation.

Hong Kong is also a rising centre for green technology. Our Science Park and Cyberport are home to some 200 green tech firms, and some of them have successfully tapped into the Mainland and overseas markets with cutting edge technologies. We are also working with our sister cities in the Greater Bay Area (GBA) which are not only strong in technology and innovation, but also in outcome application, commercialisation and advanced manufacturing. The GBA as a whole is rapidly rising as an international green tech and green finance centre.

Besides finance, we are also taking steps to support green bunkering and the use of sustainable aviation fuels and photovoltaic technology in Hong Kong.

Ladies and gentlemen, I cannot better conclude my speech by expressing my sincere appreciation to Po Man, and the organisers of this Summit, the Institute of Sustainability and Technology, and the World Economic Forum, for providing a platform for the much needed discussion on this important subject of green transition and carbon neutrality. We keenly look forward to more collaborations with our global partners in other sustainability endeavours. I wish you all a wonderful evening, and the best of health, business and environment in the time to come. Thank you!

