

Speech by FS in US-China High-Level Event on Subnational Climate Action (English only) (with photo/video)

Following is the speech by the Financial Secretary, Mr Paul Chan, at the US-China High-level Event on Subnational Climate Action in San Francisco, the United States, on May 29 (California time):

Distinguished panellists, ladies and gentlemen,

Good afternoon.

It's a pleasure to join you, and this prestigious panel discussion, following this morning's enlightening Bay-to-Bay Dialogue.

Climate change affects everyone. Last year was the hottest year on record, globally, and each of the first four months of this year continues to break heat records.

The first global stocktake of the Paris Agreement took place at the recent COP28 in Dubai. It affirmed that we are not on track to limiting global warming to 1.5 degrees Celsius.

That said, I take encouragement in the embrace of green transition among some countries and economies. China has made clear its targets – peaking carbon dioxide emissions before 2030, and achieving carbon neutrality before 2060.

It helps, and enormously, that China is pursuing high-quality economic and social development, and core to them is comprehensive green transformation.

China's installed capacity of wind, solar, hydro and biomass generation tops the world. It has also become a major supplier of renewable energy equipment and storage, pushing down the costs associated with renewable energy, making clean energy more affordable for developing countries.

The International Energy Agency has estimated that, by 2030, electric vehicle (EV) sales worldwide, will reach some 145 million.

If we are to rid the world of carbon emissions and the pollution of fossil-fuel vehicles, EV adoption must continue to rise.

Hong Kong is committed to achieving carbon neutrality by 2050. We are adopting a four-pronged strategy to reach neutrality: net-zero electricity generation, green buildings, green transport and waste reduction.

Indeed, we were among the first cities in Asia to take action against climate change. Our involvement goes back to 1997, when we stopped

construction of new coal-fired power plants.

Our carbon emissions peaked in 2014 and have shown a general downward trend since. That's thanks to the gradual replacement of coal with natural gas and zero-carbon sources for power generation. In 2022, our per capita emissions were 4.55 tonnes, down from 6.2 tonnes about a decade ago.

We have also placed enormous efforts to the low-carbon transformation of our transport sectors.

In transport, alongside our world-class public-transport network, we are focused on new-energy vehicles.

The ratio of electric vehicles among all newly registered private passenger cars in Hong Kong has soared in recent years, from 6.3 per cent in 2019 to 78 per cent in the first quarter of 2024.

In February, one of Hong Kong's major bus companies put in service the first hydrogen bus in its fleet. Later this year, we'll do a trial run of hydrogen street-washing vehicles.

Beyond achieving carbon neutrality, we are committed to green and sustainable progress, regionally and globally.

More than one-third of Asia's green and sustainable bond issuances were arranged in Hong Kong. We also participate in international green standard-setting. In addition, we have aligned our green taxonomies with the best international standards and devote resources to nurturing talent to support the region's green development.

In March, we published a vision statement, setting out our approach to developing a comprehensive ecosystem for sustainability disclosure in Hong Kong.

As a first step, our Stock Exchange has published new climate-related disclosure requirements for publicly listed companies, with implementation beginning in January 2025, under a phased approach.

We are committed to green technology, too. We offer capital and R&D (research and development) support, as well as facilitation measures to nurture green start-ups and talent.

Science Park and Cyberport, our flagship innovation and technology research centres, together count more than 200 green start-ups and companies. They offer advanced technological solutions to tackle environmental issues and challenges. Some of these companies are already expanding their business in overseas markets.

We are building our capacity building as well. Hong Kong is home to five of the world's top 100 universities, along with outstanding researchers in numerous advanced technology areas, including green technology.

We welcome US companies, tech firms and researchers, including green

tech experts, to join us in Hong Kong to help build the future.

A good start in our co-operation is the intention on financial co-operation signed between Hong Kong's Financial Services and the Treasury Bureau and the California-China Climate Institute.

They cover climate-risk analysis and management, as well as nurturing and developing talent.

â€‹

Before I close, let me reiterate the significance of today's high-level forum: with China and the United States being world's top two largest economies, any collaboration between the two countries on the climate front will be nothing but a synergetic strong force driving the green and sustainable development of the earth that we share. And today's event represents an important part of this collaborative effort. Co-operation at the subnational level provides impetus to the advancement of this vision.

For Hong Kong, we look forward to working with our counterparts in the two bay areas to strengthen our global climate advocacy, to ensure that our climate action is enabled by a free flow of green technologies and products.

With that in place, we're on our way to creating a sustainable, carbon neutral and climate-resilient global village.

