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Cross-Agency Steering Group announces launch of information and data repositories and other progress in advancing Hong Kong's green and sustainable finance development

The Green and Sustainable Finance Cross-Agency Steering Group (Steering Group) announced today (21 June) the progress made and the way forward to advance Hong Kong's leading position in green and sustainable finance (GSF) and help the financial ecosystem's transition towards carbon neutrality.

Centre for Green and Sustainable Finance (GSF Centre)

The GSF Centre has been working to build capacity and enhance talent and data resources for the financial industry. It is pleased to announce the progress in the following areas.

Capacity building:

- Launched the [GSF Training Information Repository](#) to facilitate easy access to information about international and local GSF training and qualifications;
- Launched the [GSF Internship Opportunities Repository](#) to serve as an information platform for university students who are looking for opportunities to gain GSF-related work experience and applied knowledge to prepare for a future career in this field; and
- Working with the Government on the preparation work for the new Pilot Green and Sustainable Finance Capacity Building Support Scheme announced by the Financial Secretary in the 2022/23 Budget, with a view to launching the Scheme in the fourth quarter of 2022.

GSF data:

- Launched the [GSF Data Source Repository](#) to support the financial sector in locating data sources for climate risk management and other GSF-related analysis and research. The repository contains various Government data sources relevant to the

assessment of physical risks in Hong Kong, including historical data on catastrophe damages, district level micro-climate conditions (such as tropical cyclones, flooding, landslides and storm surges) as well as geographic data and a co-ordinates transformation tool; and

- Planning to create a free and publicly accessible greenhouse gas emissions estimation tool, with clearly-disclosed methodologies, that companies can use as an alternative source of information.

Taxonomies and sustainability reporting

The Steering Group has been engaging with the industry and other relevant stakeholders to better understand the features and challenges of the local green classification framework. Following the publication of the updated Common Ground Taxonomy (CGT) report by the International Platform on Sustainable Finance ([Note 1](#)), the Steering Group will, with support from experts, work towards proposing the structure and core elements of the local green classification framework for consultation.

A key focus of financial regulators globally is to facilitate capital allocation for the transition to a low carbon economy. As a global baseline for sustainability reporting, the International Sustainability Standards Board (ISSB) aims to produce the first set of international sustainability standards in late 2022 or early 2023 ([Note 2](#)). The Steering Group encourages market participants to respond to the ISSB public consultation on its proposed standards, which will close on 29 July 2022.

As a priority, the Securities and Futures Commission (SFC) and the Hong Kong Exchanges and Clearing Limited (HKEX) are evaluating a climate-first approach to implement the ISSB standards for Hong Kong listed companies. An SFC-HKEX joint working group is looking into the readiness of listed companies to report under the proposed draft disclosure requirements and the challenges they face.

Carbon market opportunities

Following the Steering Group's engagement with stakeholders and the publication on 30 March 2022 of its preliminary feasibility assessment of carbon market opportunities for Hong Kong, the HKEX has commenced further discussions with various carbon exchanges and stakeholders from across the carbon market ecosystem.

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About the Steering Group

Established in May 2020, the Steering Group is co-chaired by the Hong Kong Monetary Authority and the SFC. Members include the Environment Bureau, the Financial Services and the Treasury Bureau, the HKEX, the Insurance Authority and the Mandatory Provident Fund Schemes Authority. The Steering Group aims to co-ordinate the management of climate and environmental risks to the financial sector, accelerate the growth of green and sustainable finance in Hong Kong and support the Government's climate strategies.

About the GSF Centre

The [GSF Centre](#) is a cross-sector platform launched by the Steering Group in July 2021. The Centre co-ordinates the efforts of financial regulators, relevant Government agencies, industry stakeholders and academia in capacity building and to improve data availability for the financial industry.

(Note 1) The CGT is a report resulting from an in-depth comparison exercise that puts forward areas of commonality between Mainland China's and the European Union's taxonomies. It was first published in November 2021, and subsequently updated in June 2022.

(Note 2) See the press release [“The Green and Sustainable Finance Cross-Agency Steering Group welcomes the publication of the International Sustainability Standards Board proposed standards for public consultation”](#) dated 31 March 2022.