

# Harnessing the Power of Green Finance for Carbon Neutrality

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# About InvestHK

The Hong Kong Government's agency tasked to attract foreign direct investment (FDI) which is of strategic importance to the economic development of Hong Kong



# Tremendous ESG Opportunities in Hong Kong

- Hong Kong and China's commitments to Net Zero by 2050 and 2060 respectively
- Hong Kong's position as an International Financial Centre
- Well-positioned to develop as a Green Tech and Green Finance hub, creating abundant ESG-related FDI opportunities



# Asia and China Have Huge Green Financing Needs

Global's green financing gap (2021-2030)



Asia's green financing gap (2021-2030)



China's green financing gap (2021-2030)



# Robust Green Finance Ecosystem in Hong Kong

## Green Investors

- Investors
  - Asset Owners
  - Institutional Investors
- 
- **Government Green Bond Programme**

## Intermediaries

- Asset Managers
  - Fund Managers
- 
- **Fund Manager Code of Conduct**

## Professionals

- Legal advisors
  - Auditors
  - Reporting
  - Rating agencies
- 
- **Green and Sustainable Finance Grant Scheme**
  - ESG Reporting **HKEX** Requirements 香港交易所

## Verification

- Green Finance Certification Scheme
  - **Hang Seng ESG 50 Index**
- 
- **Net-Zero Certificate Scheme**

## Talents

- Pilot Green and Sustainable Finance Capacity Building Support Scheme

## Innovation

- Green Bond Tokenization
- Green Tech Fund

We have a robust ecosystem and abundant opportunities for **Green Projects** to grow!

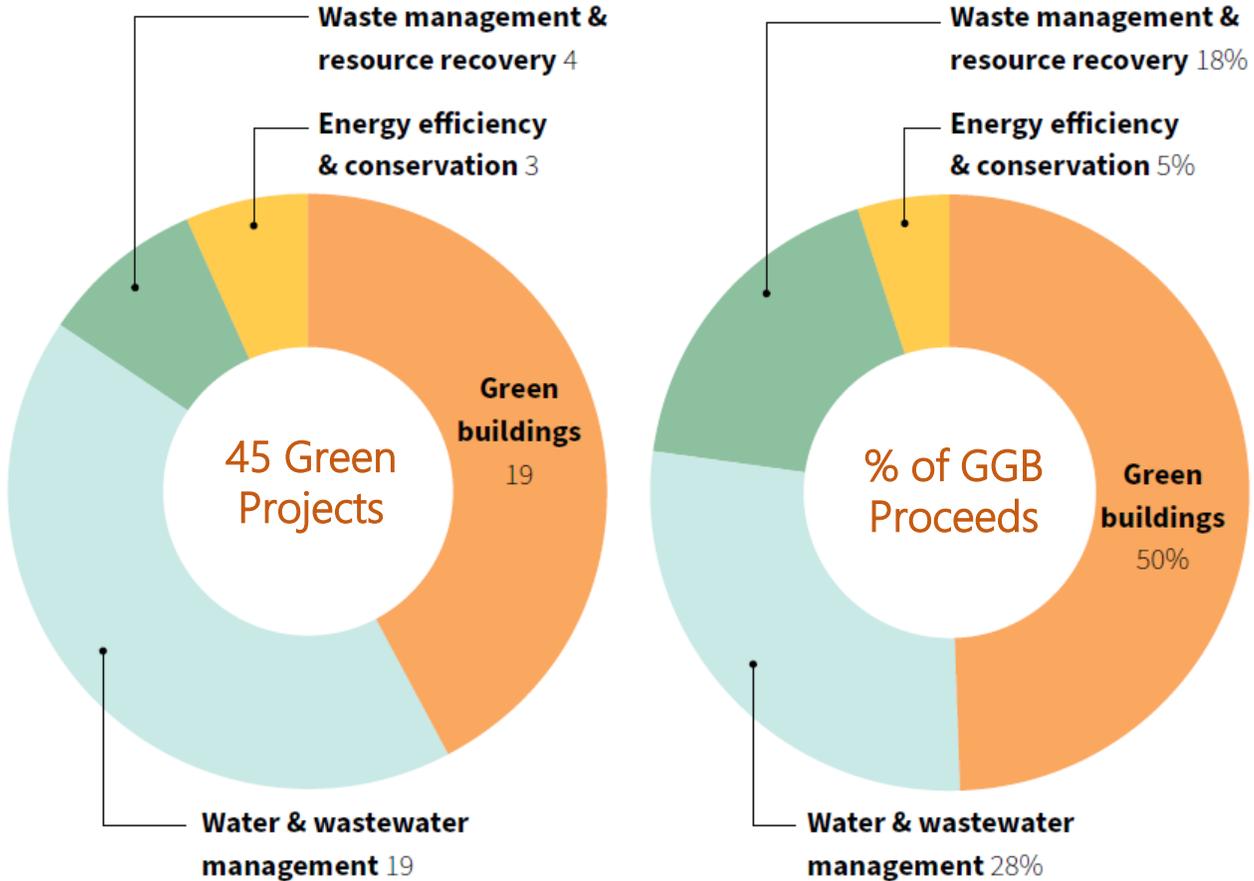


# How is Green Finance Used in Hong Kong and GBA?

## Hong Kong

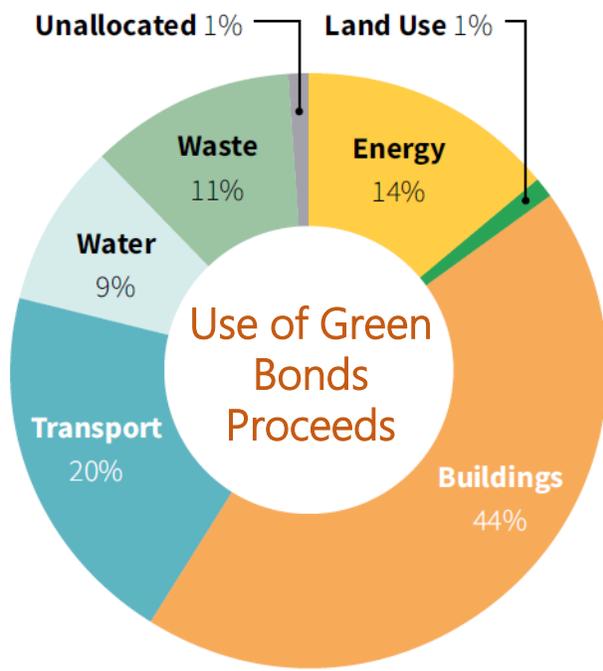
Green Buildings takes up >42% of eligible projects funded by Government Green Bonds (GGB) proceeds

Green Buildings takes up 50% of GGB proceeds



## GBA

Buildings takes up 44% of use

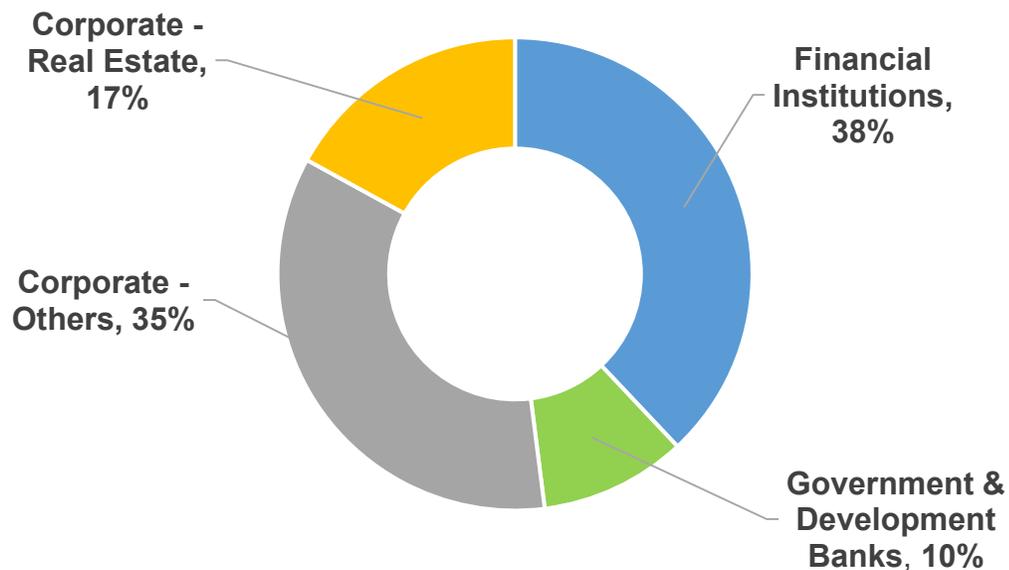


# Private Sector Plays a Key Role in Green Finance

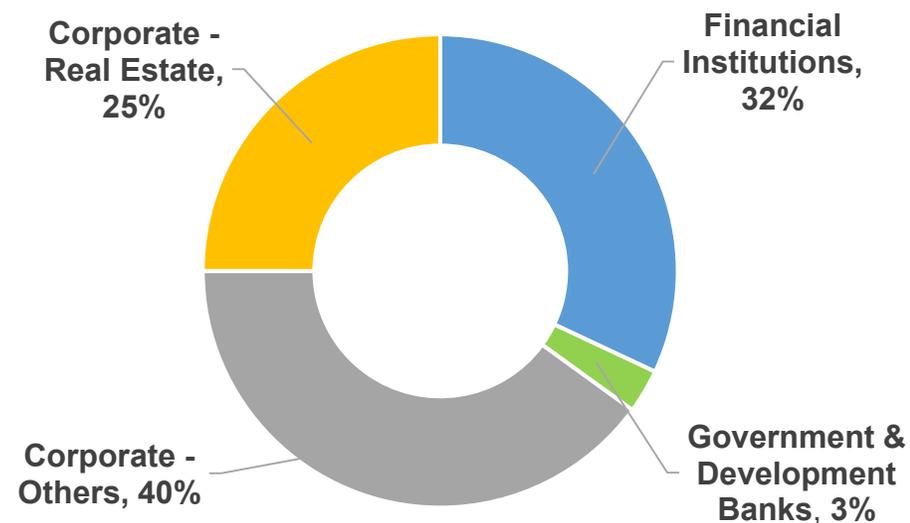
Corporate issuers accounted for 90% of green, social and sustainability bonds (GSS+ bond) issuance

Financial Institutions and Real Estate Corporates were collectively major GSS+ loan borrowers

Issuers of Bonds



Borrowers of Loans



# Opportunities for Green Finance in the GBA



## Trading of Carbon Credit

HKEX and CEEEX jointly explore the development of a voluntary carbon emission reduction programme

Source: HKEX



## Global Offshore RMB Business Hub

- **Shenzhen's** Green Bond debut demonstrated the first offshore bond issuance by a municipal government in China
- **Hainan** Provincial Government is the first Mainland provincial government to make use of Hong Kong's financing platform and professional services for bond issuance

Source: HKEX



By 2060, it is predicted that the **Green Financing Gap in the GBA** will be amounted to **USD1.84 trillion**

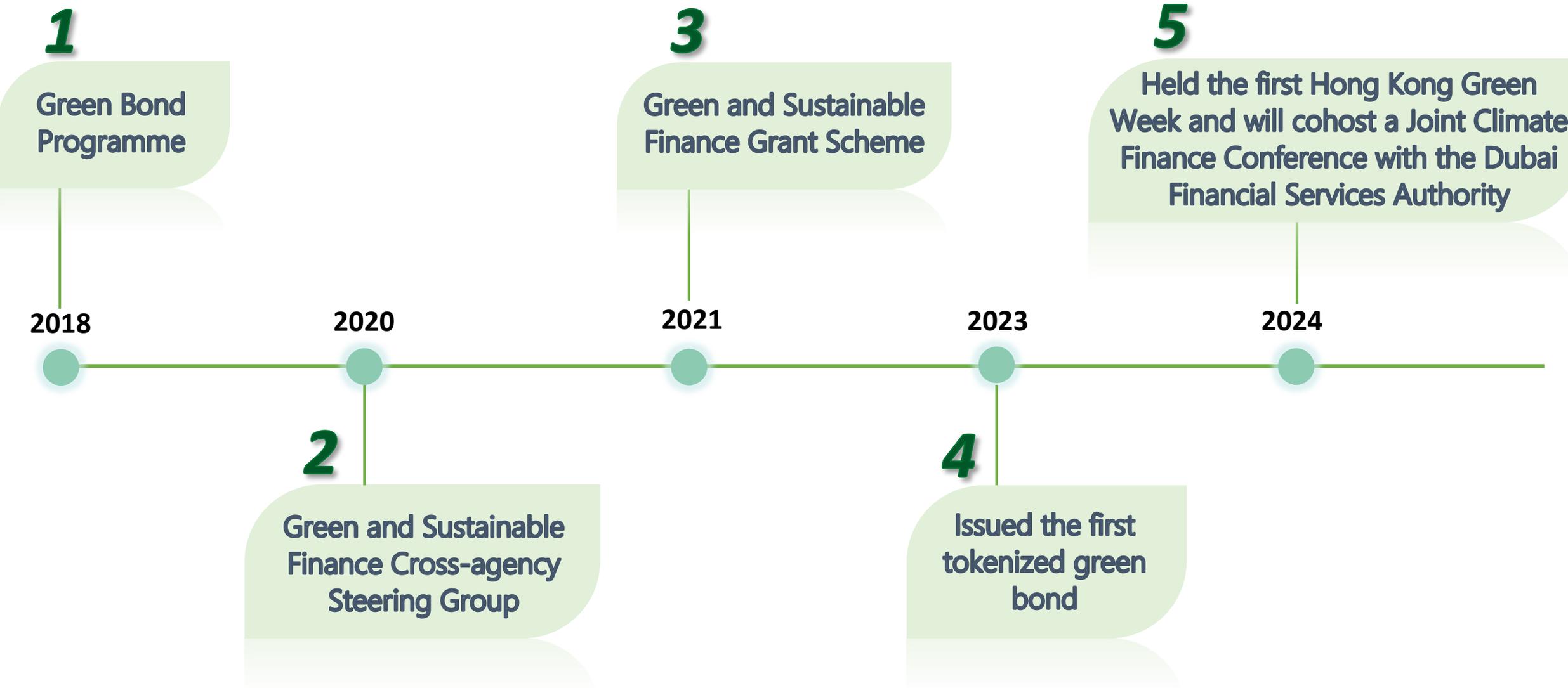
### GBA Outline Plan for Hong Kong:

- Global offshore RMB business hub
- Green finance centre
- International asset & risk management centre
- Internationally-recognised green bond certification institution

**Alignment of issuance & green disclosure standards** with international definitions such as Green Bond Principles and Climate Bonds Standard



# Major Green Finance Initiatives in Hong Kong



Source: <https://www.budget.gov.hk/2024/eng/gf.html>

# InvestHK's Efforts in Promoting Green Finance & Green Tech

## Collaborating with Multipliers



Organised the EU – Hong Kong Policy Discussion Series on various green topics (May 2023 – March 2024)

## Supporting Industry Events



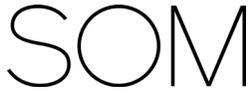
Supported the debut One Earth Summit (March 2024)

## Dedicated Carbon Neutrality Team

# Highlights of Companies with ESG Initiatives Assisted by InvestHK



**CLS Environmental Technologies Ltd., Canada**  
Green Construction



**Sidmore, Owings & Merrill, USA**  
A global architectural practice with a carbon neutral business



**Treelion, China**  
Blockchain platform for Green Finance



**SHE Aqua, Australia**  
Sustainable Water Treatment Solutions



**Aurabeat Technology, USA**  
Green Air Filtration Solution



**Komehyo Holdings, Japan**  
Sustainable Secondhand Luxury Goods Retailer

# Get in Touch!

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