

Eddie Yue: Opening remarks - Hong Kong Monetary Authority-Dubai Financial Services Authority Joint Climate Finance Conference

Opening remarks by Mr Eddie Yue, Chief Executive of the Hong Kong Monetary Authority, at the HKMA-Dubai Financial Services Authority (DFSA) Joint Climate Finance Conference, Hong Kong, 16 September 2024.

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Ian [Johnston, Chief Executive of the Dubai Financial Services Authority (DFSA)], colleagues from the DFSA and friends joining us in-person and online,

Good morning and good afternoon.

Greetings and Introduction

Welcome to the inaugural HKMA-DFSA Joint Climate Finance Conference.

It was in the summer of 2023 when Ian and I talked about having a joint conference together. Ian has always been a very active contributor to the global dialogue on sustainability, and his visions for climate finance resonated a lot with me. We quickly came to an agreement that we should have a mechanism where key stakeholders in Hong Kong and Dubai can meet regularly to discuss our shared challenges in scaling climate finance, explore and pilot innovative solutions, and coordinate a regional response to net-zero.

And now, here we are, just over a year since our discussion, at the inaugural joint conference. Let me first take this chance to express our appreciation for Ian, DFSA colleagues and our industry friends who all help make this meaningful initiative happen.

Importance of Collaboration

Our concerted efforts speak volumes about the growing recognition of collaboration - between public and private sectors, financial institutions and corporations, and international organisations and local communities. None of us, by acting alone, can move the needle on decarbonisation.

Our collaboration needs to extend beyond borders as well. Climate change is a global challenge that requires a global response. Hong Kong and Dubai, as the sustainable finance hubs in Asia and the Middle East, can do and should do more together.

Collaboration between Hong Kong and Dubai

When it comes to climate finance, Hong Kong and Dubai have a lot in common. We are the key gateways between East and West; both with very vibrant sustainable bond markets; encouraging technology adoption, actively participating in global standard-setting and fully committed to local alignment.

More importantly, we both are very proactive in taking the initiative. In the race against climate change, we cannot afford to wait until we have a perfectly robust approach. The like-minded need to join hands and embark on the sustainable finance journey knowing that there will be hurdles or even setbacks along the way. We also need to be inclusive and make sure no one is left behind, especially those from regions and sectors where the need for economically viable and credible decarbonisation solutions is the most acute.

That is why the theme of today's conference is transition finance. Although most of us can agree that transition finance is critical in reaching the net-zero goals, how to do it, and how to do it right, is still very much under debate. Despite the immediate challenges in labelling, collecting data, and building metrics, I have confidence that Hong Kong and Dubai, working hand-in-hand, can chart a new path ahead.

And this would require some fresh thinking as well. For example, we as financial regulators need to look beyond our traditional mandate and take up the role as an enabler of facilitation for such collaboration. It is on us to create a conducive environment, where honest, difficult but necessary conversations among diverse stakeholders have to take place. We also need to arm the market participants with the right tools and incentives to develop and test innovative solutions; and lay the groundwork in infrastructure to facilitate cross-border climate fund flows.

Ian and I will share more of my thoughts in the coming session, and I look forward to an open and constructive exchange of views with you all.

Closing

Today's conference is just a first step in our building of a "Net-zero Asia – Middle East Corridor". I hope the speakers' sharing today will catalyse a lot more fruitful discussions down the road.

With that, may I invite Ian and Teresa [Ko, Senior Partner, Hong Kong, Freshfields Bruckhaus Deringer and Co Vice Chair, IFRS Foundation] to join me on stage for the Fireside Chat to kick-start our event today.

Thank you very much!