

SFST continues visit to Switzerland (with photos)

The Secretary for Financial Services and the Treasury, Mr Christopher Hui, continued his visit to Switzerland. He attended the 41st session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR) organised by the United Nations Conference on Trade and Development (UNCTAD) in Geneva on November 6 (Geneva time) to elaborate on Hong Kong's efforts in building a comprehensive ecosystem for sustainability disclosure through getting the right policy steer with commitment, the right pull factors with incentives and the right people with expertise.

On the topic of the session "Sustainability reporting frameworks and standards: from interoperability to full harmonization", Mr Hui said it is timely and highly significant because Hong Kong, as a premier finance hub channelling international capital to sustainable purposes, fully acknowledges the importance of sustainability disclosure. He added that Hong Kong's aim is to be among the first jurisdictions to align the local sustainability disclosure requirements with the International Financial Reporting Standards – Sustainability Disclosure Standards (ISSB Standards).

"Our commitment to aligning our sustainability reporting standards with the ISSB Standards is clear.

"The Hong Kong Special Administrative Region (SAR) Government has been working with financial regulators and stakeholders to develop a roadmap on the full adoption of the ISSB Standards in Hong Kong," Mr Hui said.

Mr Hui noted that the roadmap will be launched this year to provide a transparent and well-defined pathway on sustainability reporting for businesses in Hong Kong, as well as sufficient time for making preparations.

"The roadmap will also comprise three other key areas, namely sustainability assurance, data and technology, and capacity building," Mr Hui said.

Local sustainability-related assurance and ethics standards will be developed to enable credible implementation of sustainability disclosure in Hong Kong. Supporting capacity building efforts locally, regionally and internationally through providing training programmes, publishing sustainability-related training materials, etc, could help nurture trained sustainable finance professionals.

In addition, promoting the use of technology-driven solutions could facilitate better sustainability disclosures and enhance the quality of data. Mr Hui particularly noted that the Hong Kong SAR Government issued last week the Policy Statement on Responsible Application of Artificial Intelligence in

Financial Market, with a view to facilitating and enabling responsible AI (artificial intelligence) adoption in the financial services industry at large, among firms of all sizes.

On the sidelines of the ISAR session, Mr Hui met with the Vice-Chair of the International Sustainability Standards Board, Ms Sue Lloyd. They exchanged views on how to develop sustainability reporting standards for cross-sectoral observance, including listed companies and regulated financial institutions.

On November 6, Mr Hui also met with the Deputy Director-General of the World Trade Organization, Mr Jean-Marie Paugam. They discussed, among others, issues about enhancement of quality assessment of government tenders by promoting environmental, social and governance (ESG) in tender exercises, and the fight against climate change by means of facilitating green and sustainable finance. He also met with the Director of the Geneva Financial Center (GFC), Mr Edouard Cuendet. The GFC is the umbrella association for the financial sector in Geneva. Both sides explored collaboration opportunities during the meeting.

Mr Hui also paid a courtesy call on Minister-Counsellor of the Permanent Mission of the People's Republic of China to the United Nations Office at Geneva and other international organizations in Switzerland Ms Liang Hong, to update her on the latest situation of Hong Kong.

On November 5 in Zurich, Mr Hui met with the Deputy Chief Executive Officer, Head of Private Banking and Asset Management of the Swiss Bankers Association, Mr August Benz, to discuss topics of mutual concern, including ways to tap into the immense opportunities from family office business, as well as the importance of maintaining stable financial centres amid uncertain times.

Mr Hui had a meeting with the Founder and Chairman of the Board of Trustees of the World Economic Forum, Professor Klaus Schwab, in Geneva. Professor Schwab expressed strong interest in the resilience and sustainability of Hong Kong's financial market. Mr Hui briefed Professor Schwab that Hong Kong is driving the high quality development in financial services to enhance the city's competitiveness in the international arena.

At the meeting in Geneva with the UNCTAD led by their Director of the Division on Investment and Enterprise, Ms Nan Li Collins, Mr Hui shared insights on the escalating standards for ESG and the increasing awareness around sustainable investment among Hong Kong's enterprises.

On the same day, Mr Hui had a dinner gathering with the Romandie Chapter of the Swiss-Chinese Chamber of Commerce (SCCC). During the dinner, Mr Hui updated SCCC's members from wealth and asset management, risk management and legal sectors on Hong Kong's financial services landscape and its strategic outlook as a vital gateway to Mainland China, especially the Guangdong-Hong Kong-Macao Greater Bay Area.

On November 7 (Bern time), Mr Hui will meet with Swiss financial officials and top management of the International Institute for Management Development.



