



# PROTOTYPE HONG KONG GREEN FINTECH MAP 2024



Green and sustainable finance has experienced significant growth in recent years, with regulators around the globe paying increasing attention to it. The Hong Kong SAR Government and the Green and Sustainable Finance Cross-Agency Steering Group (Steering Group) are committed to creating a thriving sustainable finance ecosystem, with Green Fintech as the enabler.

The use of technology to enable information and data flow can enhance disclosure transparency and accessibility, lower compliance costs, and increase the efficiency of capital allocation towards sustainable and net-zero activities. Technology can help scale financing and investment activities in Hong Kong which will reinforce its role as the sustainable finance hub. This will also capture financing and investment opportunities in the region including the Mainland.

To support this effort, the Steering Group, Cyberport, and Invest Hong Kong worked together to develop a centralised Green Fintech Map. The aim is to help companies and financial institutions better understand the availability and development stage of solutions in the Hong Kong Green Fintech landscape. The Green Fintech Map also serves as a directory to raise the profile of Green Fintech firms operating in Hong Kong. They span across five categories: (i) ESG data and analytics, (ii) ESG disclosures and regulatory reporting, (iii) climate risk modelling and assessment, (iv) green digital finance and investments, and (v) carbon credit trading and analytics.

The list of Green Fintech firms and the classification will be updated periodically, recognising the rapidly evolving green fintech landscape.

*“The Government attaches high importance to the advancements in green finance and Fintech. The introduction of this map symbolises the integration of green finance and Fintech, which will be conducive to accelerating the transition towards a green economy and fostering the development of the Green Fintech ecosystem. It also echoes the Green and Sustainable Fintech Proof-of-Concept Subsidy Scheme to be launched by the Government in the first half of this year.”*

Mr Christopher Hui, Secretary for Financial Services and the Treasury, HKSAR Government

*“Green Fintech is an important catalyst for the development of sustainable capital markets. The Map will encourage early adoption of technological solutions in the financial sector and benefit financial institutions in many ways, from facilitating regulatory compliance, informing investment decisions to developing new financial products.”*

Ms Julia Leung, Chief Executive Officer, Securities and Futures Commission, and Co-Chair of the Steering Group

*“Green Fintech is a key enabler to unlock capital to foster a more sustainable future. By onboarding the Green Fintech companies, corporations, and investors into the FintechHK Community Platform, it will be much easier for local and global Green Fintech companies to connect with potential buyers, users, and investors. The goal is to accelerate the adoption and scalability of Hong Kong's Green Fintech ecosystem.”*

Ms Alpha Lau, Director-General of Investment Promotion Invest Hong Kong

*“Green Fintech is a catalyst for the development of green finance, driving sustainable finance through practices such as product innovation, environmental compliance, and distribution. It also empowers consumers to make green and ESG-conscious financial decisions in their everyday lives. We hope that the map can effectively promote more Green Fintech application, and nurture a more comprehensive Green Fintech ecosystem.”*

Mr Peter Yan, Chief Executive Officer Cyberport

# GREEN FINTECH CLASSIFICATIONS

Green Fintech solutions are technology- and data-enabled solutions that assist financial market participants and companies with achieving environmental, social and governance (ESG) targets, identifying and reducing ESG-related risks, and monitoring and facilitating the world's transition towards Net Zero. This Prototype Hong Kong Green Fintech Map is designed to showcase Green Fintech solutions in Hong Kong as of February 2024 and will be periodically updated. The list of Green Fintech firms will also be featured on the FintechHK Community Platform, which is a centralised fintech platform to foster vibrant growth of Hong Kong's fintech ecosystem.



## 1. Green & Digital Finance and Investment

Digital solutions and platforms that primarily assist financial institutions and companies in providing digital green and sustainable finance products, including payments, loans, deposits, financial instruments, investments, and insurances. They may also facilitate compliance monitoring and reporting.

Use cases:

- Green tokenised bonds
- Green financial planning
- Digital savings solutions linked to green behaviour
- Green insurance products
- Green derivatives
- Green investment funds
- Performance tracker for green and sustainability-linked products and loans
- Digital loan and mortgage products linked to green and ESG behaviour
- Credit scoring algorithms that integrate ESG data
- Investment and trading products, tools and platforms focussed on green assets



## 2. ESG Disclosure, Compliance & Regulatory Reporting

Digital solutions that primarily facilitate companies and financial institutions in making ESG, climate and nature-related disclosures, and meeting relevant compliance and regulatory reporting requirements. They may also facilitate regulatory bodies and non-governmental organisations in monitoring the ESG performance, compliance and disclosures of regulatees and companies.

Use cases:

- Listed company disclosure and compliance
- Financial regulatory and supervisory reporting and compliance
- Regtech
- Regulatory and supplier reporting



## 3. Carbon Trading, Analytics and Technology

Digital solutions that primarily support the development and trading of carbon products, and assist companies and financial institutions with collecting and analysing internal and external carbon emissions data.

Use cases:

- Carbon products
- Carbon credit trading
- Carbon registry and trading infrastructure
- Carbon accounting
- Emissions tracking



## 4. ESG Data, Intelligence and Analytics

Digital solutions that primarily offer ESG data and analytics, ESG ratings, and ESG indexing.

Use cases:

- ESG data collection and aggregation
- ESG rating of companies & funds
- Digital green and ESG indexing
- Supply chain modelling



## 5. ESG / Climate Risk Modelling & Assessment

Digital solutions that primarily facilitate assessment and management of ESG and climate related risks (including physical risks and transition risks).

Use cases:

- Bank climate modelling
- Insurance underwriting climate analysis
- Scenario analysis and stress testing
- Risk assessment tools and platforms that consider ESG / climate factors
- Investment portfolio analysis and modelling

### Resources

<https://www.greenfintechnetwork.org/#initiatives>

<https://www.greendigitalfinancealliance.org/news-and-events/the-worlds-first-green-fintech-taxonomy>

# HONG KONG GREEN FINTECH MAP

## Carbon Credit Trading, Analytics and Technology



## Climate Risk Modelling & Assessment



## ESG Data, Intelligence and Analytics



## ESG Disclosure, Compliance & Regulatory Reporting



## Green & Digital Finance and Investment



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