

Environmental Research, Technology Demonstration and Conference Project

ECF Project:	ECF 2022-69
Project Title:	Environment and Conservation Fund - ESG investing: anchoring the E pillar in environmental compliance and enforcement using Delphi method and big data
Principal Investigator:	Dr Li Wanxin, School of Energy and Environment, City University of Hong Kong
Total Approved Grant:	\$498,180
Duration:	1/3/2024 to 31/8/2026
Project Status/Remarks:	To be commenced
Project Scope:	<p>ESG (environmental, social and governance) investing is an important financial tool for achieving sustainable development. The listed companies on the Hong Kong Stock Exchange (HKEX) have been required to publish ESG reports annually. However, the lack of standardised indicators and verification by auditors compromises the efficacy of ESG investing in tackling climate risks and delivering desirable environmental outcomes. Environmental compliance and enforcement offer a strong evidence base for assessing the environmental performance of listed companies, which have been largely neglected by the financial sector.</p> <p>To make ESG information useful for green finance, this project engages both environmental and financial regulators and practitioners to learn their perspectives on (1) ESG stakeholders, (2) coverage and validity of environmental indicators, and (3) strategies for building cross-sector collaboration in the monitoring, reporting and verification (MRV) of ESG data. Delphi method will be adopted for forming expert consensus on constructing both generic and industry-specific environmental indicator systems. A big data platform will be further built for enabling multi-stakeholder collaboration in substantiating the indicators and the MRV of ESG information. Output from this project will help advance smart ESG data management and build Hong Kong into a global leader in green finance.</p>
Summary of the Findings/ Outcomes:	To be available upon completion of the project