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**Headline: New green finance centre in Singapore to drive Asia-focused research, develop talent**

## **New green finance centre in Singapore to drive Asia-focused research, develop talent**

IMPERIAL College Business School and the Lee Kong Chian School of Business at Singapore Management University (SMU) on Tuesday launched the Singapore Green Finance Centre.

This is Singapore's first research institute dedicated to green finance research and talent development, and seeks to equip professionals with new skills and create a strong pipeline of green finance talent.

It is supported by the Monetary Authority of Singapore (MAS) as well as nine founding partners: Bank of China, BNP Paribas, Fullerton Fund Management, Goldman Sachs, HSBC, Schroders, Standard Chartered Bank (StanChart), Sumitomo Mitsui Banking Corp (SMBC) and UBS.

Leading the Singapore Green Finance Centre are David Fernandez, director of the Sim Kee Boon Institute for Financial Economics at SMU, and Charles Donovan, professor of practice and executive director of the Centre for Climate Finance and Investment at Imperial College Business School.

An advisory board - comprising MAS, both academic institutions and the nine founding partners - will provide guidance on the centre's strategic direction.

The Singapore Green Finance Centre will draw on Imperial's and SMU's strengths in climate science, financial economics and sustainable investing, said Imperial, SMU and MAS in a joint statement.

To equip professionals with skills in climate finance and applied knowledge in Asian markets, the centre will offer courses across different levels: undergraduate, postgraduate, continuing and professional education.

Financial institutions and service providers will then be able to tap the pipeline of talent as they expand their teams and deepen their green finance capabilities.

In the research realm, the centre will pursue foundational and multi-disciplinary research to help develop strategies for policymakers and financial institutions to support Asia's transition to a low-carbon future.

This will cover three themes: integrating climate-related data and environmental, social and governance (ESG) considerations into businesses' decision making; designing policies and new initiatives to improve the efficiency of green finance markets; and catalysing the development of green finance solutions.

The new institute will co-create the research with industry to ensure it is applicable and relevant.

MAS managing director Ravi Menon said the Singapore Green Finance Centre will be an important part of Singapore's vibrant green finance research and talent ecosystem that MAS is developing. The strong industry support for the centre will be key to its success, he added.

Prof Fernandez noted that "Asia must find a balance between sustainability and growth", adding that the new centre will act as a catalyst for embedding climate change into business strategy.

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According to Dr Donovan, Asia could lead the world into a low-carbon future, and Asian capital markets should grasp this opportunity.

The Singapore Green Finance Centre will bridge the gap between investors and policymakers on climate change, Dr Donovan said.

UBS Global Wealth Management's divisional vice-chairman Desmond Kuek said: "More of our clients are seeing sustainability as an integral part of their business strategy and value system, and that it offers strong diversification to help weather the economic uncertainty and market volatility that will likely persist in the decade ahead."

Tony Cripps, CEO, HSBC Singapore, said: "Globally, climate change is the seismic risk that we simply can't get wrong. HSBC sees this as a 'front and centre' responsibility, but it's a societal problem and it needs a cross-society solution. This means bringing experts and players from different sectors - including academia - to address existing knowledge gaps in the sustainable finance ecosystem and drive meaningful thought leadership."

Likewise, BNP Paribas is looking to bring its expertise in sustainable finance to the working groups. The French bank will also participate in research co-creation projects that focus on transition financing, taxonomy, finance and natural capital, as well as carbon accounting and disclosure, said its Singapore chief executive officer (CEO) Joris Dierckx.

Bank of China, Singapore Branch's general manager Cheng Jun noted that the bank is aiming to integrate green finance development with the Belt and Road initiative through this collaboration with its international partners.

Schroders' Singapore CEO and Asia-Pacific co-head, Susan Soh, noted that the firm sees "exciting opportunities" across the region to collaborate with institutional asset owners and intermediary distribution partners, who are accelerating their pace of ESG adoption.

StanChart is able to link the sustainable-financing needs of emerging economies to the more developed economies that can provide that investment, according to its CEO Singapore Patrick Lee.

"In the process, it is important to know how to identify the financial risks presented by climate change and for companies to devise more robust business models," Mr Lee added.

SMBC has been supporting the growth of Singapore as an infrastructure finance hub. Now, it hopes to also use Singapore as its regional hub to grow its sustainable finance initiatives, said Rajeev Kannan, managing executive officer and deputy head of Asia-Pacific at SMBC.

Speaking at a conference on Tuesday, Mr Menon also said that within the next two years, MAS will incorporate climate-related scenarios in the annual stress tests for the financial industry.

He added that MAS has started to evaluate the resilience of its official foreign reserves under a range of short-term climate-related disruptions and longer-term climate scenarios.

It is also working on a roadmap to better integrate environmental risks across all its business functions, including measuring, reducing and disclosing the central bank's own carbon footprint. "As a central bank and financial regulator, MAS will practise what it preaches," he said.