

Tackling Green Finance Challenges with Technology: A FinTech Perspective

Marcus Tsai

Division Director, FinTech Center

Taiwan Financial Supervisory Commission





Outlines

- **Commitments and Challenges**
- **From Pain Points to Solutions**
- **Green FinTech Campaign**
- **Wrap-Up**

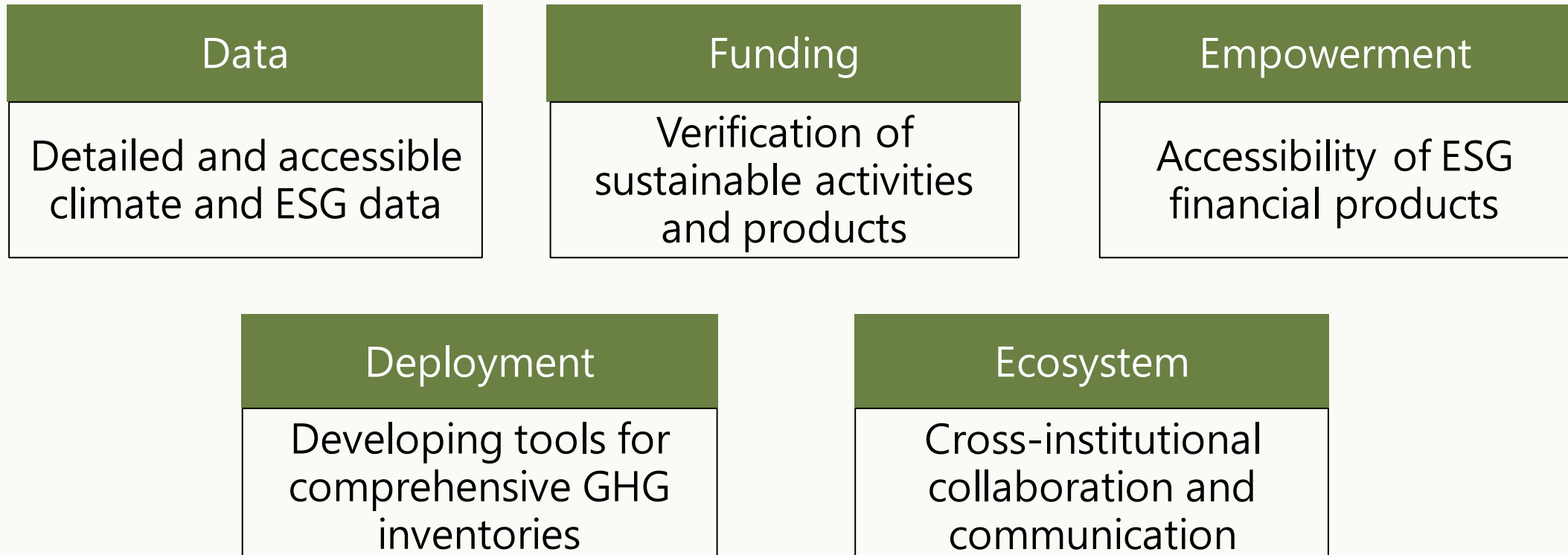
Taiwan's commitment to a greener future

- "Net Zero Emissions by 2050" - a shared goal for Taiwan and the world
- "Climate Change Response Act" promulgated in February 2023
 - "Net-zero emissions by 2050" enshrined in law
 - Green finance – one of the crucial policies for responding to climate change
- FSC launched Green Finance Action Plan 3.0 to support net-zero emissions



Challenges in Promoting Green Finance

- 5 aspects of Green Finance Action Plan 3.0 and their challenges



From Pain Points to Solutions

– Automated ESG data collection and analysis

Pain point:

Scattered data need to be integrated and analyzed before FIs can use them



● Potential Solutions:

- Integration of ESG and climate-related information
- Deploy AI and ML to collect and analyze ESG data from various sources

● Green Fintech Use Cases:

- Corporate ESG Data platforms
- Automated ESG rating of companies and funds

From Pain Points to Solutions

– Green Regtech/Suptech

Pain point:

Companies aim to reducing the cost of ESG reporting and disclosure, while regulators have their eyes on ensuring the accuracy of ESG financial product claims



● Potential Solutions:

- Use technology to digitalizing reporting process and facilitating ESG report preparation
- Leverage AI to verify ESG financial product claims

● Green Fintech Use Cases:

- Regtech which helps companies comply with sustainable finance regulations
- Suptech that helps regulator mitigate the risks of greenwashing

From Pain Points to Solutions

– ESG digital services for retail customers



Pain point:

Needs more financial services that help people make green purchases or green investments

● Potential Solutions:

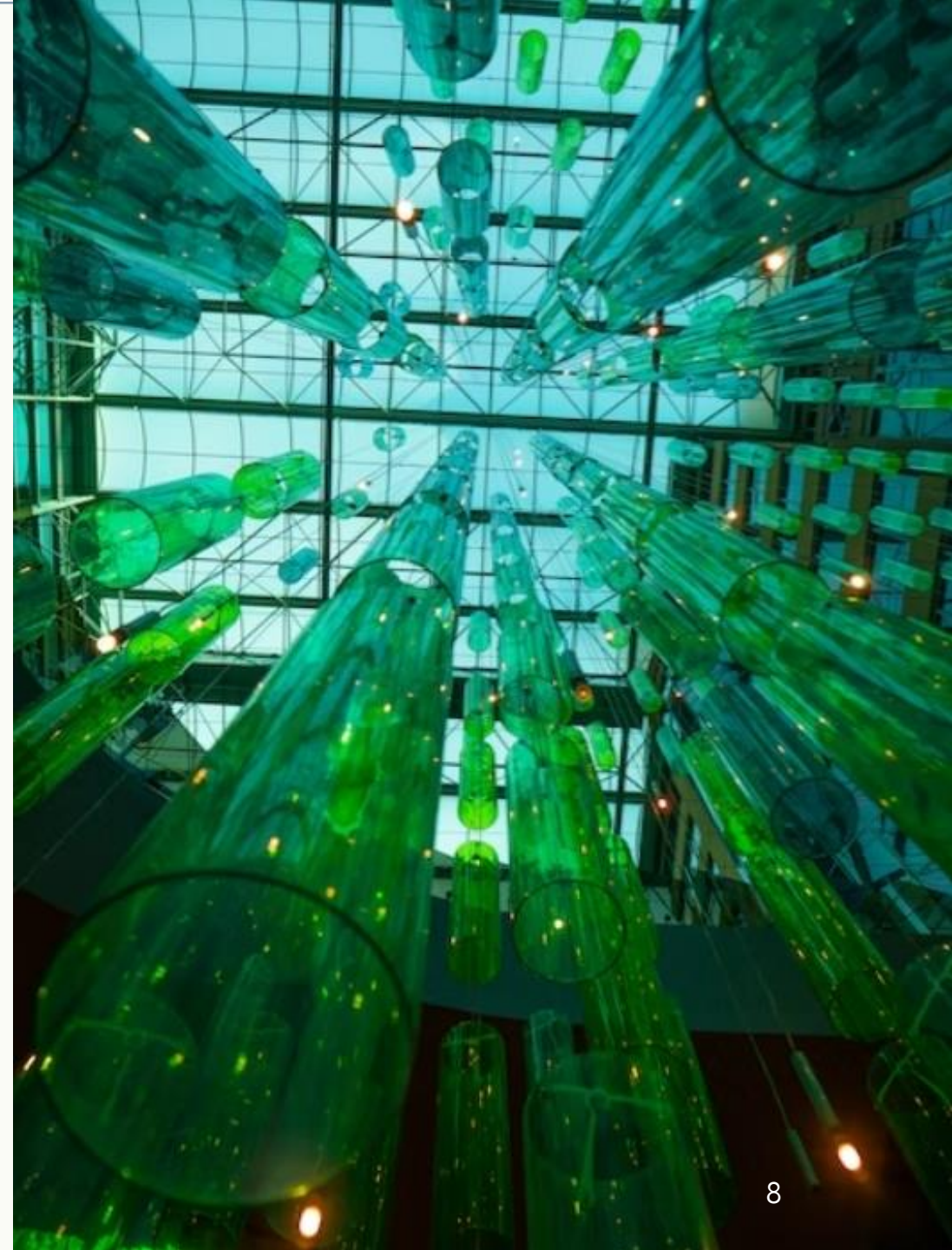
- Use transaction data for automated calculation of environmental footprint
- Leverage robo-advisory technology to offer ESG investment advice.

● Green Fintech Use Cases:

- Payment services that calculate the carbon footprint of user's purchases
- Digital investment platform with a focus on ESG assets

Green FinTech Campaign

- FSC to launch Green FinTech thematic Campaign this year
 - Conferences/seminars to share experience
 - Matchmaking and demo activities to encourage innovation
 - Provide resources for startups to participate in Green FinTech



Wrap-up

- Challenges and opportunities coexist
- Green FinTech is crucial to tackling green finance challenges
- Work together to promote green fintech for a sustainable future

