Climate Governance Project

WORKSHOP FEEDBACK AND SYNTHESIS

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1. Background

This paper summarises the main feedback from the Climate Governance Project workshops and stakeholder discussions. It synthesises the key insights and shows how they relate to the Five-Pillar Model. The purpose is to identify the implementation challenges participants recognised, what they considered feasible or missing, and what mechanisms could help Hong Kong strengthen climate governance.

The six workshops brought together different communities of experience, including former senior government officials, built environment professionals, corporate sustainability practitioners, shipowners and maritime stakeholders, board directors and senior executives, biodiversity practitioners, finance and insurance professionals, academics and NGOs. Each group brought a different lens: administrative realism, market feasibility, technical and operational constraints, bankability, investment logic and governance in areas where responsibility is dispersed.

2. Overall Workshop Messages

The strongest message is that Hong Kong's climate and sustainability challenge is now primarily an implementation challenge.

Participants did not generally think that Hong Kong lacks ideas, technical solutions or professional capacity. Instead, they focused on the conditions needed for action to scale.

- In building retrofit, participants noted that technologies and financing capacity exist in principle, but market conditions are not yet aligned.

- In biodiversity, participants emphasised that nature should not be treated only as conservation, but also as ecological infrastructure, resilience, liveability, public health, finance and long-term development.

- In shipping, stakeholders focused on the financial logic for first movers: who pays, who benefits, what savings are real, how performance is verified and how risks are shared.

- In board and senior management discussions, corporate participants stressed that companies could act within their own boundaries, but many system-level conditions require public policy, government leadership and structured public-private engagement.

Across the workshops, participants returned to the same question: *what system conditions are needed for action to scale?*

The answers were consistent: clearer policies/missions, more specific transition pathways, stronger government leadership, better cross-bureau and cross-department coordination, credible data, practical standards, financeable project structures, stronger market signals and more structured engagement with business, professionals and other key stakeholders.

The workshops therefore reinforced the central proposition of the Climate Governance Project: *effective climate action, and indeed effective action in other complex policy areas, depend not*

only on ambition, expertise or finance, but on the governance capacity to bring these elements together.

3. What Each Workshop Contributed

The workshops were different in subject matter but fairly consistent in diagnosis. Each showed that implementation depends on system design.

- Former senior government officials tested the project from the perspective of administrative realism. They highlighted Hong Kong's first Five-Year Plan as a potential governance mechanism, not simply a list of policy points. They emphasised policy framing, clear priorities, mainstreaming across bureaux and departments, and a public narrative that connects climate transition with competitiveness, quality of life, resilience and development. They also supported the idea of government as a transition "architect": setting direction, aligning actors, creating market conditions and building implementation capacity.

- The building retrofit workshop used existing buildings as a case study of market formation. Participants agreed that the main challenge is not lack of technology, but converting technical potential into investable, verifiable and operationally feasible projects. They emphasised data access, energy use intensity and carbon labelling, trusted measurement and verification, segmented pathways for different building types, public-sector demonstration projects, finance and risk-sharing tools, and a possible progression from voluntary to mandatory requirements where needed.

- The biodiversity and nature-based solutions workshop showed the need to reframe biodiversity as an asset and as infrastructure. Participants called for stronger targets and KPIs, higher-level leadership beyond the Agriculture, Fisheries and Conservation Department alone, integration into planning and development, long-term stewardship models, financeable nature projects, credible data, project transparency and channels for co-design with business, NGOs, financiers and communities.

- The corporate sustainability workshop brought a private sector implementation lens to buildings and biodiversity. Participants focused on where action stalls in practice: ownership structures, incentives, financeability, data gaps, standards, stewardship and the credibility of government signals. Their feedback showed that private-sector actors need confidence before they can move at scale.

- The shipping workshop showed that maritime decarbonisation is about investment logic. Shipowners and financiers need to know who pays, who benefits, what can be verified, how risk is shared and whether a technology or fuel pathway is commercially useful. The workshop highlighted owner-charterer split incentives, trusted verification, green finance, performance-based finance, insurance, standards and Hong Kong's potential role in creating the

commercial architecture for shipping decarbonisation.

- The board and senior executive workshop showed that boards can oversee strategy, risk, capital allocation, incentives and disclosure within companies, but corporate action depends heavily on external governance conditions. Participants called for sectoral transition pathways, visible government champions, public-sector leadership, data platforms, taxonomies, finance mechanisms, carbon and nature-related price signals, and deeper business-government engagement.

4. Cross-cutting Findings Through the Five-Pillar Model

The workshop feedback maps closely onto the refined Five-Pillar Model. The model is useful because it turns a long list of sectoral suggestions into a governance agenda.

4.1 Pillar 1: Direction

Participants repeatedly said that climate and sustainability issues need broader and clearer framing. Building retrofit should not be presented only as carbon reduction; it is also urban renewal, asset enhancement, resilience, energy savings, competitiveness and well-being. Biodiversity should not be presented only as conservation; it is also resilience infrastructure, public health, liveability, flood management, heat reduction and ecological capital. Shipping decarbonisation should not be presented only as compliance with international rules; it is also about port competitiveness, maritime services, green fuel readiness, finance, data and trusted regional interfaces.

This broader framing must then become policy/mission-oriented direction. *Participants called for clearer policy/missions (rather than a set of points or commonly referred to as "initiatives"), targets, timelines, KPIs, standards and sectoral pathways*. Long-term carbon neutrality goals are important, but they do not tell building owners, shipowners, financiers, boards, developers or bureaux what to do next. The Five-Year Plan provides an opportunity to clarify policy/missions, align institutions and guide market behaviour over time.

4.2 Pillar 2: Leadership and Accountability

Participants emphasised "leadership" meant visible ownership, authority to coordinate, ability to resolve trade-offs and responsibility for follow-through. Former officials emphasised that some cross-bureau issues cannot be resolved at working level and require escalation. Corporate and board-level participants called for champions who can drive implementation and shape markets through procurement, land policy, public buildings and demonstration projects.

The case studies show why leadership must be both political and administrative. Retrofitting existing buildings involves energy, buildings, finance, property ownership, utilities, tenants and safety approvals. Biodiversity involves conservation, planning, public works, land management, finance, procurement and communities. Shipping involves transport, port operations, energy, fuels, finance, international regulation and

harbour systems. *Without named leadership and accountability, implementation remains dispersed across bureaux, departments, regulators and market actors*.

4.3 Pillar 3: Integration

Integration emerged as one of the strongest findings. Climate and sustainability issues cut across policy domains, institutions and markets. A technically viable retrofit may fail if savings cannot be verified. A green fuel may not be adopted if demand is not created. A nature-based solution may fail if stewardship is not funded after construction. A corporate transition plan may remain incomplete if sectoral pathways and data standards are missing.

Participants therefore called for more systematic ways to integrate climate and sustainability into the government's routine decision-making, including policy/mission statements, planning, public works, procurement, finance, regulation and project design. Integration cannot depend only on informal goodwill. *Integration within the government is vital and needs institutional mechanisms, shared targets, routine requirements, cross-bureau working processes and clear escalation routes*.

4.4 Pillar 4: Finance and Market Creation

The workshops strongly supported the inclusion of Finance and Market Creation as a core pillar. Participants did not treat finance simply as the availability of money. In many cases, capital exists in principle. *The problem is that projects are not structured in ways that allow capital to move*.

In building retrofit, projects may be too small, fragmented, uncertain or difficult to verify. In biodiversity, projects may lack clear cash flows, baselines, metrics, ownership structures, long-term stewardship arrangements or repayment mechanisms. In shipping, promising technologies may still face performance uncertainty and split incentives between owners and charterers, and furthermore, first-movers are not given any advantage. In corporate discussions, participants spoke of taxonomies, incentives, price signals, guarantees, investable pipelines, carbon markets, insurance products and demand creation.

The common message is that finance follows structure. Government does not need to fund everything directly, but it can shape the conditions under which public, private and philanthropic capital can contribute. This includes standards, aggregation mechanisms, guarantees, concessional finance, matched funding, tax incentives, public sector pipelines, procurement rules, blended finance, sandboxes, insurance products, carbon or nature-related pricing and trusted verification systems. *Finance and market creation are therefore governance functions: they turn policy/mission ambition into investable pathways*.

4.5 Pillar 5: Transparency and Engagement

Participants also showed why the final pillar should combine transparency and engagement. Reliable data, transparency, engagement and feedback work together. Data helps define problems, measure progress and support

accountability. Transparency builds trust and comparability. Engagement surfaces practical barriers and allows policies to be tested against real experience. Feedback supports learning and course correction.

For buildings, transparency means data access, benchmarking, labels, disclosure and verified savings. For biodiversity, it means baseline data, project information, monitoring and validation. For shipping, it means credible baselines and performance verification. For boards and companies, it means decision-useful data, standards and disclosure guidance. Engagement should also move beyond general consultation. It should help identify constraints, test feasibility, clarify roles, build trust, design mechanisms and support implementation.

The workshops suggest that *transparency and engagement are not soft add-ons. They are part of the implementation system. Without them, actors lack confidence, misunderstand incentives, duplicate effort or wait for others to move first.*

4.6 Sequencing Across the Five Pillars

Sequencing emerged across several workshops. *Implementation does not happen all at once.* In building retrofit, participants suggested that policy direction, data access, baselines, verification, financing and risk-sharing mechanisms should precede wider market demand, which then allows supply capacity to deepen. In biodiversity, targets, baseline data, project structures and stewardship models need to be clarified before finance can scale. In shipping, pilots may be needed where technologies are plausible, but performance, savings or reliability remain uncertain. *Sequencing is a discipline that cuts across all five pillars.*

5. Wider Relevance of the Five-Pillar Model

Although the Five-Pillar Model was developed through the Climate Governance Project, the workshops suggest that it has wider relevance. It is not only a climate framework. It is a framework for governing complex policy implementation.

Many major policy priorities face similar problems. They require strategic direction, leadership, cross-bureau integration, financing and market creation, data, transparency, engagement and professional capacity. This applies to innovation and technology, public health, housing, ageing, transport, reindustrialisation, biodiversity, Northern Metropolis development and Hong Kong's first Five-Year Plan as a whole.

The model is useful because it asks practical governance questions: What are we trying to achieve? Who is responsible? What needs to be integrated? How will implementation be financed and made investable? What data, transparency and engagement are needed to build trust and support course correction? It does not replace sectoral expertise. It helps organise sectoral expertise into a governance agenda.

6. Implications for the Final Recommendation Paper

The workshop feedback points toward several implications for the final recommendation paper.

1. Focus on implementation, not only a list of ambitions. Hong Kong already has many policies. The next step is to strengthen the system through which policies become action.

2. Framing policies in terms of "missions" could enable wider and connected perspectives for complex challenges.

3. Hong Kong's first Five-Year Plan provides an opportunity to create clearer missions, align bureaux and departments, signal market direction and define practical pathways for priority areas.

4. Treat government as a systems architect. Government's role is not just to regulate or administer. It is also to shape the conditions for coordinated action: setting direction, assigning leadership, integrating policies, creating markets, building data infrastructure, convening stakeholders and supporting co-learning for complex problem-solving.

5. Connect climate governance and transition to Hong Kong's wider development agenda, including competitiveness, finance and insurance, shipping, technology, health, resilience, quality of life, liveability, ecological civilisation and national development.

6. The recommendations should be practical and institutionally grounded. They should identify mechanisms that can work within Hong Kong's executive-led system, such as mission-based priorities, cross-bureau coordination, public-sector demonstration projects, data platforms, financeable project pipelines, structured stakeholder engagement and clearer reporting.

7. Recognise that implementation requires sequencing: what can move first, what needs piloting, what requires public-sector leadership, what can be voluntary, what may become mandatory, and how early market formation can lead to scale.

7. Conclusion

The workshops confirmed the Climate Governance Project's core proposition: climate action is not only a technical, financial or sectoral issue. It is a governance challenge.

Across buildings, biodiversity, shipping, finance and corporate climate action, participants identified similar barriers. Direction is often too broad. Leadership can be dispersed. Policies are not always integrated. Finance is not always connected to investable projects. Data and standards are not always decision-useful. Engagement is often too general and not sufficiently linked to co-learning and implementation.

At the same time, participants also identified Hong Kong's strengths: professional expertise, financial capacity, administrative capability, market institutions, public bodies, universities, business networks and

international connectivity. The challenge is to organise these strengths into a more coherent system for delivery.

The refined Five-Pillar Model provides a practical way to do this. It helps convert scattered observations into a governance agenda. Its wider value for Hong Kong's first Five-Year Plan may be to help government and stakeholders move from lists of policy measures toward a clearer system for delivery.