The MAS tender calls for a consultancy to study how financial institutions integrate sustainable finance into their organisation, the number of jobs in sustainable finance the sector could create over the next decade, and the skills employees will need to hold jobs in sustainable finance, among other issues. ST PHOTO: LIM YAOHUI

MAS seeks study on jobs, skills needed for green finance sector

Move aims to shed more light on varying sustainable practices

Tay Hong Yi

Even as the financial sector marches on in its green efforts, the rate of adoption of sustainable practices is not uniform across financial institutions.

To shed more light on the varying practices, the Monetary Authority of Singapore (MAS) is calling for a study on how the trend of sustainability is influencing manpower needs and deployment in the sector now and in future, according to tender documents released on Tuesday and seen by The Straits Times.

The tender calls for a consultancy to study how financial institutions – which include banks, insurers and asset managers – integrate sustainable finance into their organisation, the number of jobs in sustainable finance the sector could create over the next decade, and the skills employees in Singapore will need to hold jobs in sustainable finance, among other issues.

Setting a target completion date of next March for the final report, MAS said the financial sector plays a crucial role in mobilising capital to support an orderly transition towards net-zero carbon emissions as Singapore, as well as the region, becomes a low-carbon economy.

"It is therefore critical to build a deep talent pool to meet the strong and growing demand for sustainable finance jobs, as sustainable finance becomes more mainstream over the next decade."

The study will be presented to MAS management, an undisclosed inter-agency or industry platform, and a steering committee made up of MAS management, Institute of Banking and Finance (IBF) management and "key industry participants". ST understands it may be released to the public as well.

It is not the first time that there is an MAS study on how new trends will affect the workforce. In 2019, one study covered the impact of data analytics and automation on Singapore's financial sector jobs.

The sustainability study will inform MAS and the finance industry on the new roles that may be created, and existing jobs that may be transformed or become redundant as sustainability becomes mainstream. These insights would be used to facilitate discussion between MAS and the industry, and identify skills gaps and necessary initiatives to upskill and reskill individuals in the workforce.

This is the first time a tender has been called for an in-depth study on this topic by the MAS.

The call for the study follows a framework of 12 skills and competencies needed for roles in sustainable finance set out by the MAS and IBF in February, an initiative that is part of the central bank's strategy to build knowledge and capabilities in sustainable finance under its Green Finance Action Plan.

One source of variance MAS identified for further study in the tender lies in how sustainable finance fits into the organisational structure of financial institutions.

It noted that some organisations introduce sustainable finance as a new business area with dedicated roles, while others prefer a more integrated approach where sustainability roles are interspersed across existing business areas.

Ms Evelyn Chow, managing director of strategic human resources consultancy DecodeHR, said integrating sustainable finance roles into existing business units is a good approach as the skill sets involved intersect, and there is a lack of specialised talent in the field.

In Singapore, she added, the demand is likely driven by regulatory demands on companies to show their sustainability credentials, citing moves such as the introduction of mandatory climate reporting for financial and energy issuers on the Singapore Exchange come 2023.

Ms Cherrie Lim, associate director of corporate finance, mergers and acquisitions and corporate strategy in Asia at recruitment firm Ethos BeathChapman, said the firm has noticed more demand for finance roles that incorporate sustainability. "Usually, such roles would encompass working closely with internal or external stakeholders to drive the sustainability agenda of the firm and promoting best-practice environmental, social and governance (ESG), and sustainability assessments through their processes and deals."

Added Ms Lim: "Most clients created a new business area or team with dedicated sustainability roles as it reflects a more focused approach in seriously growing this space."

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HSBC said to be weighing an IPO of its Indonesian business

HSBC Holdings has been examining an initial public offering (IPO) of its Indonesian business to tap buoyant investor demand in the world's fourth-most populous country.

Plans for a share sale in Jakarta are at an advanced stage, said people familiar with the matter. It has yet to file a formal IPO application but the local regulator is aware of its intention, they said. A spokesman for HSBC declined to comment. A spokesman at Indonesia's Financial Services Authority said the regulator does not comment on corporate actions.

The plan would meet a promise by the regulator to eventually have HSBC relist the Indonesian business after it moved in 2015 to fully integrate the lender once known as PT Bank Ekonomi Raharja. Indonesia's watchdog said at the time that this process would likely take several years.

HSBC is in the midst of a pivot to Asia, shifting billions of dollars in capital and making fresh investments as it sells off and scales back unprofitable businesses in other regions. The bank is also fending off a push by its largest shareholder – China's Ping An Insurance Group – to spin off the Asian operations in a bid to improve returns.

Indonesia's economy has been gathering pace after emerging relatively unscathed from its latest virus wave, with the government predicting economic growth of 4.8 per cent to 5.5 per cent this year. Shopping malls and restaurants are full and the digital economy is gaining traction across the nation of more than 270 million people. In January, the value of electronic transactions surged 67 per cent from a year ago, while digital banking activity climbed 63 per cent.

HSBC initially bought 88.9 per cent of PT Bank Ekonomi Raharja for US$607.5 million in 2008, a move that almost doubled its branch network across Indonesia.

HSBC's Indonesian business, which has more than 3,000 employees, booked a profit before tax of about US$129 million (S$178 million) last year, according to company reports. In 2020, it had 69 branches in 24 cities, it said in its annual report. HSBC offers services in commercial banking, investment banking, wealth and personal banking.

Indonesia has seen some of South-east Asia's most high-profile listings this year, including GoTo Group, the nation's biggest tech company. While the Jakarta Composite Index has slumped since hitting a record in mid-March, the benchmark is still up almost 5 per cent this year, making it the best-performing major benchmark in Asia.

South-east Asian stocks have gained a broader following as the United States, European and Chinese markets have been dragged down this year amid mounting economic and political risks.

Companies have raised about US$1.2 billion via first-time share sales in Indonesia so far this year, a leap from the US$161 million raised in the same period in 2021, according to data compiled by Bloomberg.

HSBC operates across 64 countries and regions including China, Singapore, India and Malaysia. Asia, where approximately half of its 220,000 employees are based, contributed about 65 per cent of the group's reported profit before tax last year.

BLOOMBERG

HSBC is in the midst of a pivot to Asia, shifting billions of dollars in capital and making fresh investments as it sells off and scales back unprofitable businesses in other regions.

No Signboard secures rescue funding ahead of moratorium hearings

Ahead of its moratorium hearings yesterday, No Signboard Holdings announced a lifeline by an unnamed investor who has agreed to invest up to $5 million in the debt-ridden restaurant operator.

In the event that the company winds up, the investor will get preferential liquidation rights for the rescue financing, according to the agreement terms that No Signboard disclosed in a bourse filing on Wednesday.

The High Court was scheduled to hear moratorium requests by the company and two of its subsidiaries, NSB Hotpot and NSB Restaurants at 2.30pm yesterday.

On April 29, the trio had applied for moratorium relief spanning six months under Section 64 of the Insolvency, Restructuring and Dissolution Act.

The court orders being sought are to ensure that no resolution is passed to wind up the companies and that no legal process shall be commenced or continued against any property of the applicants, among other things.

Specifically in No Signboard's application, it has requested that OCBC Bank, which is the creditor of $3 million under a temporary bridging loan facility extended to the company in April 2020, be excluded from the terms of the moratorium order.

In the bourse filing on Wednesday, No Signboard said it entered into a memorandum of understanding for up to $5 million in super priority financing with the investor on April 30.

On Tuesday, the company then entered into an agreement to take up the offer, with a principal amount of $450,000 as an interim measure to obtain immediate and urgent short-term financing for its working capital requirements.

The rescue financing was intended to precede the disbursement of the balance of the investment amount by the investor, it pointed out, while noting that no interest is payable on the principal amount.

Trading of No Signboard's shares has been suspended since Jan 24. THE BUSINESS TIMES

'Hotly contested' tender due to attractive location

FROM B7

that the collective sale committee had proposed cutting the reserve price to $205 million.

Ms Tracy Goh, head of investment and collective sales at PropNex, said: "The tender was hotly contested due to its attractive location with views of the Jurong Lake Gardens, and its proximity to the Jurong Lake District, which is envisioned to be a vibrant regional commercial hub and tourist destination.

"The relatively limited supply of new private residential projects in the Lakeside area further boosted the appeal of this collective sale site, with developers anticipating healthy future demand for homes to be built on the plot."

With a gross plot ratio of 2.1, the site has the potential to be redeveloped into a 24-storey residential building with 307 condominium units, averaging 915 sq ft each, PropNex said.

Mr John See Toh, chairman of the Lakeside Apartments collective sale committee, said: "Even after the announcement of fresh cooling measures in December 2021, the owners remained united and hopeful of a successful sale."

Ms Tan Hwee Bin, executive director of Wing Tai Holdings, said: "Given the limited supply of new residential developments in the area, we are confident that demand for this new project will be strong."

The site is located within the Jurong Lake District, which has been earmarked as the second Central Business District.

It is a 10-minute drive to the future Jurong Innovation District, which will become the centre for advanced manufacturing and research and development. Plans to develop an integrated tourism attraction within the Jurong Lake District are also under way.

Located near Lakeside MRT station, the site is also close to regional shopping malls such as Jem, Westgate, IMM and JCube, community healthcare facilities, and the Jurong East integrated transport hub, which will be completed in 2027.

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The 120-unit, 99-year leasehold Lakeside Apartments located near Jurong Lake Gardens and the Jurong Lake District was sold to Winville Investment, a subsidiary of Singapore-listed Wing Tai Holdings. The developer plans to turn the 12,465.4 sq m site into a more than 300-unit residential development. PHOTO: PROPNEX

Twitter shares jump as Musk pledges more cash

SAN FRANCISCO • Billionaire Elon Musk notified United States regulators on Wednesday that he will rely less on loans in his bid to buy Twitter, as he and partners put US$33.5 billion (S$46 billion) into the US$44 billion deal.

Twitter shares climbed more than 5 per cent on the news, as the market evidently took it as a sign the acquisition is moving forward despite Mr Musk declaring it on "hold" due to his concerns about the number of accounts that might be software "bots" instead of real people.

The Tesla chief said in a filing with the United States Securities and Exchange Commission that he would seek US$13 billion in loans for the Twitter buy instead of using nearly double that much debt as previously indicated.

Mr Musk has been courting major Twitter investors including co-founder Jack Dorsey in the hope of getting them to partner with him in taking the social media giant private.

Mr Musk said in the regulatory filing that he had new commitments that will allow him to rely less on loans to buy Twitter, but did not specify whether he was reaching into his own pocket for money or had won over others with big stakes in the company.

Analysts were concerned about Mr Musk using billions of dollars worth of his Tesla shares to back loans, meaning the electric car company's stock price would be affected by the fortunes of Twitter.

Wedbush analyst Dan Ives said in a tweet that Mr Musk changing the Twitter buy financing structure was a "good move" but added that the buyout "game of high-stakes poker continues".

Wedbush estimated the chances of the Musk buy of Twitter happening as even odds, Mr Ives said in the tweet.

Twitter's share price had fallen on signs that Mr Musk might not complete his buy of the company for the offered US$54.20 per share, and has risen on indications that the deal is moving forward.

Twitter shares were just shy of US$40 each in after-market trades on Wednesday, signalling a lack of faith by investors in the original deal being culminated.

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