

COMMENTARY

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Asia needs more talent amid drive towards green economy

With an increased societal and corporate focus on the environment, educational institutions need to equip people with new skill sets

The push for greener cities in Asia is happening. Indonesia will be shifting its capital from Jakarta to Nusantara, which is touted as the future green and smart global city. Singapore has announced its goals for sustainable development through its Green Plan 2030. Hong Kong wants to achieve carbon neutrality by 2050, and in a green finance endeavour, will also issue its first green bonds to retail investors this month.

Amid this push, Asia needs people who can help transform the current economies into greener ones. Reports have estimated that by 2030, the green economy could create 5 million to 6 million jobs in Southeast Asia and 24 million across the world.

We hear of more positions in renewable energy sectors. At the same time, in sectors from sustainable fashion to plant-based meat alternatives, we need people to find and implement greener ways of doing things. The same goes for the business and finance industry. But first, the professionals need new knowledge and training.

With an increased societal focus on the environment, educational institutions need to equip people with new skill sets. From sustainability-related modules for undergraduates to adult learning courses for those already in the workforce, these institutions play an important role in getting the workforce equipped to handle the demands of the green economy.

Western universities are much into the field with their programmes on sustainable finance,

while their Asian counterparts are just starting. The momentum of more thorough and holistic training in sustainable and green finance in both educational institutions and the workplace is growing in Asia.

Ultimately, this region needs talent who can navigate its cultural, socioeconomic and political complexities to push for real and sustainable change. To do so, they need to learn to integrate the multiple fronts of technological advancements and innovations in sustainability, such as green buildings, renewable energy and fintech.

A structural change is imminent in the new economy. Investors are scrutinising listed companies for their environmental, social and governance (ESG) activities. Any shortfall of investors' expectations after being convinced that the company is doing good can have a detrimental effect on the organisation.

A survey by BNP Paribas in 2021 revealed that, in two years, 37 per cent of investors in the region would consider ESG factors as central to their investment, up from 15 per cent currently. Millennials, who make up about 25 per cent of the population in Asia, are twice as likely to invest in companies that target social or environmental outcomes.

It's not too late for companies to start taking greener steps. Studies have shown that when companies with a material environmental impact change their ways for the better, investors will reward them. But to start taking green steps, they need to find the right talent. And the talent hunt has begun.

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