[Speech by SCED at APEC MRT Meeting discussion session on AI Innovation for Trade Facilitation (English only)](#)

â€‹Following is the speech by the Secretary for Commerce and Economic Development, Mr Algernon Yau, at the discussion session entitled "AI Innovation for Trade Facilitation" at the Asia-Pacific Economic Cooperation (APEC) Ministers Responsible for Trade Meeting in Jeju, Korea, today (May 15):

Good afternoon, Chair and fellow Ministers.

Let me begin by expressing my sincere gratitude to Korea for the warm hospitality extended to the Hong Kong, China (HKC) delegation and for hosting us in this beautiful island of Jeju.

Digitalisation, coupled with artificial intelligence (AI), has been quickly transforming businesses, unlocking new opportunities, and redefining how goods and services move across borders these days. As part of HKC's wider efforts in developing the AI industry, we have, as early as in 2022, set out clear strategic directions and a detailed action plan for promoting the development of AI in our Hong Kong Innovation and Technology Development Blueprint.

HKC is also keen to embrace the transformative power of AI in trade. For instance, innovative technologies such as AI-powered tools have been adopted to ensure effective enforcement controls while streamlining customs clearance procedures. Our final phase of the Trade Single Window will establish a highly automated cargo risk assessment engine to expedite clearance using AI, and we expect this to be rolled out next year. Our Customs and Excise Department is also modernising its information technology infrastructure, thus enabling the use of a sophisticated data pipeline with the latest AI technologies.

As with every new innovative development, whilst we grasp the opportunities and benefits, it is at the same time crucial to ensure such developments are ethical, responsible and inclusive. To this end, HKC has adopted a pro-innovation regulatory approach to construct a well-balanced governance framework that could cater to all stakeholders in the AI ecosystem. Just a few weeks ago, the Hong Kong Generative Artificial Intelligence Technical and Application Guideline was released to provide practical operational guidelines for technology developers, service providers and users in the application of generative AI technology. Furthermore, we plan to amend our legislation in order to further enhance HKC's copyright regime regarding protection for AI technology development.

We recognise that AI is utilised across different sectors, with trade

being just one of them. We are also acutely aware that there are a number of ongoing discussions in international forums to discuss AI development, including rules setting and governance. This notwithstanding, we see much room for collaboration amongst member economies on AI in trade, particularly on its applications for trade facilitation measures and customs procedures in APEC.

In the current era with rising protectionism and unilateralism, it has become even more important for APEC to showcase to the world that regional economic co-operation in the area of AI matters and can bring benefits to the people of the entire region. APEC should leverage its role to foster regional dialogue on ensuring safe and responsible use of AI for trade, exchange experiences and knowledge, promote public-private collaboration, enhance transparency of regulatory frameworks, and strengthen partnerships among member economies, taking into account the different development stages of member economies.

HKC is ready to contribute and collaborate with fellow member economies to harness AI for trade and to drive high-quality growth across the region.

Thank you.