## Opening remarks by S for IT at ASTRI 2018 Technovation Summit: A Smart Future Powered by AI (English only)

Following is the opening remarks by the Secretary for Innovation and Technology, Mr Nicholas W Yang, at the Hong Kong Applied Science and Technology Research Institute Company Limited (ASTRI) 2018 Technovation Summit: A Smart Future Powered by AI today (December 14):

MY (Chairman of ASTRI, Mr Wong Ming-yam), Charles (Legislative Council member Mr Charles Mok), Hugh (Chief Executive Officer of ASTRI, Mr Hugh Chow), distinguished guests, friends, ladies and gentlemen,

Good morning. It is my honour and pleasure to join you all today at ASTRI Technovation Summit. I would like to thank ASTRI for hosting this annual signature event, with a new name, Technovation Summit, this year. Indeed, I am very glad to see a big gathering of distinguished experts, industry leaders, academics and a group of ASTRI alumni who will share with us their insights on the power of artificial intelligence, or AI, today.

AI is an important topic for all human beings nowadays. Together with big data, data analytics and robotics, AI has unlocked a whole new world of potential opportunities, driving business transformations and changing our way of life. Manufacturing, healthcare, public services, transport and logistics, banking and finance, retail — you name it — can all benefit from the ever more intelligent machines and systems. More importantly, the adoption of AI and robotics technology releases human capital from difficult, dangerous, dirty and tedious jobs, so that human beings can focus on higher value-added work, thereby driving business growth, increasing productivity, and improving our daily living.

Hong Kong definitely has an edge in developing AI. With an increasingly vibrant innovation and technology ecosystem, Hong Kong has nurtured and attracted the best research talents in AI. According to Scopus, universities in Hong Kong as a whole ranked number three globally in terms of producing the most highly cited and impactful research on AI.

We have also nurtured some of the leading AI technology companies in the world. One of our home-grown unicorn start-ups, SenseTime, has been entrusted by the national Ministry of Science and Technology to establish the National Open Innovation Platform for Next Generation Artificial Intelligence on Intelligent Vision. To further facilitate the pooling together of world-class talent, institutions and enterprises in AI, we are working at full steam to build the research cluster we call AIR@InnoHK, focusing on AI and robotics technologies, right here in the Hong Kong Science Park. We are making good progress, and we expect the first batch of research institutions will start moving into the cluster in the second half of 2019. This would create more opportunities for research institutions like ASTRI and our local universities

to collaborate with top-notch institutions from around the world to unleash the potential of AI. If you are interested, please talk to ASTRI and other designated R&D institutions for collaboration opportunities.

The legislative amendment for effecting the super tax deduction for qualifying R&D activities has already been passed by our Legislative Council in October. The deduction is 300 per cent for the first \$2 million of qualifying R&D activities and 200 per cent for the remaining amount. What's more, there is no cap on the amount of this super tax deduction. R&D expenditures incurred by enterprises on April 1 this year and thereafter would benefit from this new policy. Our goal is to incentivise private enterprises to conduct more R&D activities, including those in AI.

At the same time, we will continue to render full support under the Innovation and Technology Fund (ITF) to finance applied R&D projects on AI. I am glad that in making full use of the ITF, ASTRI, our flagship R&D centre, is already working closely with many industry partners to adopt AI technologies. For example, ASTRI has collaborated with some local banks to develop a smart investment platform which provides investment options through the use of AI, big data analytics and machine learning. It has also developed an AI system on Chinese character recognition that recognises different handwritten Chinese characters for enhancing the efficiency of document processing. In addition, ASTRI has developed 3D scanning and object recognition technologies for robots to facilitate the migration of manufacturing industry towards Industry 4.0. I look forward to seeing more exciting and collaborative AI projects from ASTRI and other research institutions in the future.

The Government will also lead by example by adopting AI to improve public services. We will introduce AI and chatbot functions to the GovHK portal in 2019 to facilitate public search and access of e-Government services. A pilot chatbot service at the 1823 call centre to handle public enquiries will also be launched. A new big data analytics platform will be built by 2020 to enable real-time data sharing among government departments, encouraging further development of AI applications and big data analytics. Our purpose here is not to make money but to facilitate our citizens so that we can provide them with better public services.

Ladies and gentlemen, AI is an important technology area with unprecedented opportunities. I am sure, with the concerted efforts of the industry, academia, R&D centres and the Government, Hong Kong would be playing a crucial role in developing more AI applications to bring better life for our citizens in the future.

Last but not least, I wish the Summit a great success and all of you a very fruitful and enjoyable day. I also wish all the visitors from abroad a pleasant stay in Hong Kong.

Thank you.

#### <u>Appointments to Rehabilitation</u> <u>Advisory Committee announced</u>

The Government today (December 14) announced the appointment of three new members and the re-appointment of four incumbent members to the Rehabilitation Advisory Committee (RAC) for a term of two years with effect from January 1, 2019.

The three new members are Mr Kuo Chun-chuen, Mr Edwin Lam Man-wing and Dr William Lo Tak-lam. Mr Kuo Chun-chuen is the Secretary General of the Hong Kong Joint Council for People with Disabilities. Mr Edwin Lam Man-wing is the General Secretary of Hong Chi Association. Dr William Lo Tak-lam is the Chairman of the Mental Health Association of Hong Kong and Hospital Chief Executive of Kwai Chung Hospital.

The four incumbent members re-appointed are Ms Shirley Chan Suk-ling, Ms Elaine Lam Yee-li, Miss Julia Lau Pui-g and Ms Yu Tung-mui.

The Secretary for Labour and Welfare, Dr Law Chi-kwong, welcomed the appointments. He also thanked the three outgoing members, Dr Cheng Lai-ling, Dr Leung Nai-kong and Mrs Cynthia Luk Ho Kam-wan, for their valuable contributions to the RAC during their tenure.

The RAC was set up in 1977 to serve as the principal advisory body to the Government on the development and implementation of rehabilitation services and matters pertaining to the well-being of persons with disabilities in Hong Kong. With the application of the United Nations Convention on the Rights of Persons with Disabilities to Hong Kong since August 31, 2008, the RAC also took on the role of assisting the Government in promoting and monitoring the implementation of the Convention in Hong Kong.

Following is the membership list of the RAC from January 1, 2019:

Chairperson

Mr Anthony Yeung Kwok-ki

Vice-chairperson

Mr Fung Pak-yan

Non-official Members

Ms Shirley Chan Suk-ling

Ms Chan Wing-yan

Mr Cheng Ka-ho

Mr Fong Cheung-fat

Ms Heidi Hui Sim-kiu

Mr Kuo Chun-chuen

Mr Joseph Kwan Kwok-lok

Mr Leo Lam Cheung-wai

Mr Edwin Lam Man-wing

Ms Elaine Lam Yee-li

Ms Lau Lai-fong

Miss Julia Lau Pui-g

Mr Willy Law Wai-cheung

Mr Eric Lee Sai-kit

Dr Raymond Leung Cheong-ming

Mr Lo Siu-kit

Dr William Lo Tak-lam

Mr Billy Man

Ms Shirley To Shuk-yi

Dr Janice Tsang Wing-hang

Ms Wendy Tse Yik-chu

Mr Tsui Yu-hang

Ms Elaine Wu Siu-ling

Dr Loretta Yam Yin-chun

Ms Yu Tung-mui

# <u>Agreement on Trade in Goods signed</u> under framework of CEPA

The Chief Executive, Mrs Carrie Lam, witnessed the signing of the Agreement on Trade in Goods by the Financial Secretary, Mr Paul Chan, and the China International Trade Representative and Vice Minister of Commerce, Mr Fu Ziying, today (December 14).

The Agreement is a new agreement signed between the Hong Kong Special Administrative Region Government (HKSARG) and the Ministry of Commerce under the framework of the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA).

The Agreement consolidates and updates the commitments on liberalisation and facilitation of trade in goods under CEPA, and further enhances the level of liberalisation for trade in goods under CEPA. Starting from January 1, 2019, goods of Hong Kong origin imported into the Mainland will fully enjoy zero tariff through the enhanced arrangement for rules of origin (R00s). In addition to the existing product-specific R00s (PSRs), a general R00 based on the calculation of the value added to the products in Hong Kong is introduced under the Agreement, thus allowing products currently without PSRs to instantly enjoy zero tariff upon importation into the Mainland subject to the fulfilment of the general R00.

The Agreement also establishes principles of trade facilitation, including stipulation of commitment of the two sides in facilitating trade between the two places, simplifying customs procedures, enhancing transparency of related measures and strengthening co-operation in the relevant areas, and in particular sets out measures to expedite customs clearance of goods with a view to facilitating movement of goods in the Guangdong-Hong Kong-Macao Greater Bay Area, thereby enhancing the customs clearance capacity and efficiency of the control points in Guangdong and Hong Kong. The Agreement came into effect on the day of signing and shall be implemented on January 1, 2019.

Upon signing the Agreement, the two sides have completed in advance the objective of promoting the CEPA Upgrade under the National 13th Five-Year Plan, thus enabling CEPA to become a comprehensive and modern-framework free trade agreement covering four major areas, namely trade in goods, trade in services, investment, and economic and technical co-operation.

Details and latest information on CEPA can be found on the Trade and Industry Department website at <a href="https://www.tid.gov.hk/english/cepa/index.html">www.tid.gov.hk/english/cepa/index.html</a>.

### <u>Labour Advisory Board members</u> <u>appointed</u>

The Government today (December 14) announced the appointment of 12 members to the Labour Advisory Board (LAB) for a term of two years starting on January 1, 2019.

The appointed members include five employee representatives elected by registered employee unions, namely:

- \* Mr Chau Siu-chung
- \* Mr Charles Chan Yiu-kwong
- \* Mr Tang Ka-piu
- \* Mr Lee Kwok-keung
- \* Mr Leung Chau-ting

and five employer representatives nominated by major employer associations, namely:

- \* Mr Ho Sai-chu (representing the Chinese General Chamber of Commerce)
- \* Dr Kim Mak Kin-wah (representing the Employers' Federation of Hong Kong)
- \* Mr Irons Sze (representing the Chinese Manufacturers' Association of Hong Kong)
- \* Mr Emil Yu Chen-on (representing the Hong Kong General Chamber of Commerce)
- \* Mr Jimmy Kwok Chun-wah (representing the Federation of Hong Kong

#### Industries)

In addition, Ms Shea Wai-man and Mr Cheung Sing-hung have been appointed on an ad personam basis as an employee member and an employer member of the LAB respectively.

With the exception of Mr Lee Kwok-keung, Mr Leung Chau-ting and Ms Shea Wai-man, all appointed members are incumbent members. Mr Lee is the Labour Research Department Officer of the Hong Kong and Kowloon Trades Union Council, Mr Leung is the Chief Executive Officer of the Hong Kong Federation of Civil Service Unions, and Ms Shea is the Administrative Assistant of the Cathay Pacific Airways Local Staff Union.

The Commissioner for Labour and Chairman of the LAB, Mr Carlson Chan, welcomed the above appointments and said he looked forward to close cooperation with all LAB members in the new term to address issues of concern to both employees and employers.

Mr Chan paid warm tribute to the three outgoing members, namely Ms Wong Siu-han, Mr Daniel Lau Yuk-fai and Ms Chan So-hing, for their significant contributions to the LAB. "During their term of office, the three outgoing members, in the capacity as LAB employee representatives, actively offered constructive and valuable advice on various labour issues to the Government. This helped the Government formulate labour legislation and policies to improve employees' rights and benefits," he said.

The LAB is a high-level and representative tripartite consultative body comprising representatives of employees and employers to advise the Commissioner for Labour on labour matters.

#### <u>Tenders invited for Central Kowloon</u> Route — Central Tunnel

The Highways Department (HyD) today (December 14) invited tenders for the Central Kowloon Route — Central Tunnel (Contract No. HY/2018/08).

The works are scheduled to commence in June 2019 and will take about 60 months to complete. The works mainly include:

- construction of an approximately 2.8-kilometre dual 3-lane Central Kowloon Route central tunnel;
- construction of an approximately 1.5km pilot tunnel with minimum size of 5-metre internal diameter by tunnel boring machine connecting the vertical access shafts at Ho Man Tin and Ma Tau Kok;
- construction of approximately 41m and 33m cut-and-cover tunnels at Yau

Ma Tei and Ma Tau Kok respectively;

- construction of foundation for a ventilation building, a ventilation shaft and an adit for the Central Kowloon Route project at Ho Man Tin;
- slope maintenance and upgrading works;
- associated drainage and geotechnical instrumentation and monitoring work;
- associated ground investigation work;
- provision of civil engineering works and coordination work for installation of electrical and mechanical system as well as traffic control and surveillance system inside the central tunnel; and
- arrange and implement cross-boundary disposal of construction and demolition material.

The HyD has appointed Arup-Mott MacDonald Joint Venture as the consultant to design and supervise the construction works. Interested contractors can obtain the tender forms and other particulars from Arup-Mott MacDonald Joint Venture at 3/F, Mapletree Bay Point, 348 Kwun Tong Road, Kwun Tong.

The invitation to tender was gazetted today. Submission of tenders will close at noon on March 8, 2019 (Friday). Tender submissions should be placed in the Government Secretariat Tender Box located at the lobby of the Public Entrance on G/F, East Wing, Central Government Offices, 2 Tim Mei Avenue, Tamar.

For enquiries, please call the consultant at 2828 5757.