

HKMA announces inaugural cohort of GenA.I. Sandbox

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA), in collaboration with the Hong Kong Cyberport Management Company Limited (Cyberport), announced today (December 19) the first cohort of the Generative Artificial Intelligence (GenA.I.) Sandbox.

A total of 15 use cases, from 10 banks and four technology partners (see Annex), have been selected as the inaugural participants in the GenA.I. Sandbox from over 40 proposals received. Each use case underwent a rigorous prioritisation process conducted by a selection committee comprising subject matter experts from the academia as well as from the HKMA and Cyberport. The prioritisation focused on the level of innovation, technical sophistication of the proposed solutions, expected contributions to the industry and adherence to fair-use principles (Note 1).

The proposed use cases mainly revolve around enhancing risk management, anti-fraud measures and customer experience. Through the GenA.I. Sandbox, banks will explore GenA.I.'s unique capabilities in processing vast amounts of documents and unstructured data, as well as its ability to handle cross-media inputs and outputs, such as text, audio and graphics. Notable examples include augmenting credit assessment and fraud detection by automated processing of unstructured data, and enhancing customer service to handle more personalised and complex enquiries, as an improvement over typical pre-defined chatbots.

The selected participants will be gradually onboarded to a dedicated platform of the Artificial Intelligence Supercomputing Centre operated by Cyberport, with technical trials expected to commence in early 2025 and continue through mid-2025. The HKMA and Cyberport will provide supervisory and technical guidance to participants in an interactive and iterative manner throughout the trial processes. The HKMA will also draw insights from the technical trials and share best practices with the industry.

Deputy Chief Executive of the HKMA Mr Arthur Yuen said, "We are pleased to see a keen interest from the banking industry in the exploration of GenA.I., reflecting the eagerness and openness of banks of all sizes to utilise novel technologies in their operations and services. As the market continues to develop more innovative ideas, the GenA.I. Sandbox remains ready to provide a risk-controlled testing ground for the industry. We look forward to seeing the results from our participants and sharing these experiences with the industry. I would also like to express my gratitude to Professor Chan (Note 2), Professor Tam (Note 3) and Professor Yiu (Note 4) for offering their valuable expert advice as part of the selection committee."

The HKMA plans to announce the application process for the second cohort of the GenA.I. Sandbox by the end of the first quarter of 2025. Initial insights and learnings from the first cohort will be shared prior to the application deadline for the second cohort to facilitate formulation of trial use cases.

Note 1: HKMA Circular, "[Generative Artificial Intelligence Sandbox](#)" issued on September 20, 2024

Note 2: Professor Chan Chun-kwong, Programme Director, MSc/PgD in Financial Technology, Faculty of Engineering and Professor of Practice in Financial Technology, Department of Systems Engineering and Engineering Management, The Chinese University of Hong Kong

Note 3: Professor Tam Kar-yan, Vice President for Administration and Business and Chair Professor of Information Systems, Business Statistics and Operations Management, The Hong Kong University of Science and Technology

Note 4: Professor Yiu Siu-ming, Associate Director and Professor, School of Computing and Data Science, The University of Hong Kong

42nd batch of applications approved for trials of green transport technologies and launch of Trial of Hydrogen Fuel Cell Heavy Vehicles under New Energy Transport Fund

The Environment and Ecology Bureau today (December 19) announced its approval of the 42nd batch of applications for trials of green transport technologies under the New Energy Transport Fund.

The Steering Committee of the Fund has adopted a merit-based approach to assess applications for funding with a view to making the best use of the Fund and taking into account factors including the latest technology developments. One application has been approved in this batch (Note) for the trial of an electric special-purpose vehicle as a mobile medical clinic, involving a total subsidy of \$0.75 million.

The latest approval brings the total number of trials approved under the Fund to 300, with a total subsidy of about \$243 million. As at end-November 2024, a total of 210 approved trials under the Fund have been completed. Trial reports have been uploaded to the Fund's website (www.eeb.gov.hk/en/new-energy-transport-fund/AT.html#Trial_Reports).

The technology of electric vehicles and batteries is becoming more mature and has been widely used in Mainland China and overseas cities. With the subsidy from the Fund, around 140 trials of electric commercial vehicles have been completed, with around 90 trials either set to commence soon or already commenced. The feasibility of local adoption of electric commercial vehicles has been fully verified through applications. To allow the Fund to focus on subsidising new energy technologies with a more pressing need for trials in the local context in future, the Steering Committee confirmed after discussion that the Fund will cease to accept applications for trials of all types of electric commercial vehicles from April 1, 2025. Applications received before that date will continue to be assessed using the merit-based approach.

Except for electric commercial vehicles, the Fund will continue to accept applications for trials of other types of new energy commercial vehicles to expedite the green transformation of the transport trade. The Fund has also launched the Funding Scheme to Trial of Hydrogen Fuel Cell Heavy Vehicles, which is open for applications from today. For more details, please visit the website of the scheme (www.eeb.gov.hk/en/Netfund/h2trial.html).

The Government put in place the Fund in March 2011 to subsidise the testing and encourage wider use of green transport technologies for a variety of commercial transport tools, including goods vehicles (including special-purpose vehicles), taxis, light buses, buses, vessels, motorcycles, non-road vehicles (applicable to vehicle models approved by the Transport Department or the Airport Authority Hong Kong), or the aforesaid transport tools of charitable/non-profit making organisations providing services to their clients. The technologies to be subsidised include new energy vehicles or vessels, conversion of in-use conventional vehicles or vessels to new energy vehicles or vessels, and after-treatment emission reduction devices or fuel-saving devices applicable to vehicles and vessels. Transport operators and charitable/non-profit making organisations may apply for trying out different green technology products subject to a maximum subsidy of \$10 million for each application and a total of \$12 million for each applicant.

For more information on the Fund and the approved applications, please visit the website of the Fund (www.eeb.gov.hk/en/new-energy-transport-fund/new-energy-transport-fund.html) or call the enquiry hotline on 2824 0022.

Note: One electric special-purpose vehicle for Chinese medicine mobile clinic service by Pok Oi Hospital.

Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Thursday, December 19, 2024 is 107.5 (up 0.5 against yesterday's index).

Innovation and Technology Venture Fund enhanced scheme invites applications as fund managers

The Innovation and Technology Commission today (December 19) launched the Innovation and Technology Venture Fund (ITVF) enhanced scheme and invites applications as fund managers for the scheme. The deadline for application will be March 19, 2025.

"Under the ITVF enhanced scheme, the Government will redeploy at most \$1.5 billion to set up funds jointly with the market, on a matching basis, to invest in start-ups of strategic industries. We believe that through the integration of capital raised from the market, it will empower start-ups with more financing support, and help enrich the local innovation and technology (I&T) ecosystem," a spokesman for the Commission said.

The ITVF enhanced scheme will select professional fund managers to invest in start-ups of strategic industries, namely (a) artificial intelligence and data science, (b) life and health technology, and (c) advanced manufacturing and new energy. The Government, as one of the Limited Partners of the funds, will commit one dollar into the funds for every three dollars of investment raised by the fund managers on a matching basis, with the Government's contribution ranging from \$150 million to \$250 million for each fund. Each of the selected fund managers shall act as a General Partner and are responsible for setting up limited partnership funds in Hong Kong, with a minimum fund size of \$600 million (including the Government's contribution), raising non-Government capital of not less than \$450 million for the fund, managing the day-to-day operations of the fund, investing in target start-ups in accordance with the investment mandate, providing support to the investee start-ups and producing regular reports. The Commission will base on the assessment criteria including the fund manager applicant's background, management team's resources, investment strategy and processes, investment performance, its industry network and support in and beyond Hong Kong as well as fees, together with the advice of the ITVF Advisory Committee, to select fund managers.

Details of the application are available on the ITVF website

(www.itf.gov.hk/l-eng/ITVF.asp). For enquiries, please contact the ITVF Secretariat (Tel: 3855 7723; email: itvf-enquiry@itc.gov.hk).

To date, the ITVF has invested over \$330 million in 40 local I&T start-ups and attracted over \$3.1 billion of private investment at an investment ratio of approximately 1:9. The business areas of these start-ups include supply chain management, e-commerce, financial technology, biotechnology and artificial intelligence.

[Hong Kong Youth Symphony Orchestra Annual Concert to present classical melodies](#)

The Hong Kong Youth Symphony Orchestra (HKYSO) of the Music Office (MO) under the Leisure and Cultural Services Department will hold its annual concert entitled "Dance of Fate" at 3pm on January 19 (Sunday) next year at the Hong Kong Cultural Centre Concert Hall.

The concert will be conducted by the Chief Music Officer of the MO, Tsui Ying-fai, and instructors of the MO Lee Sing-wan and Dr Joseph Kam. Four young musicians from the School of Music of the Hong Kong Academy for Performing Arts, namely Ernest Chan (oboe), Aphichat Dechasophon (bassoon), Jason Fung (violin) and Trevor Chan (cello), will join hands with the HKYSO to perform Haydn's "Sinfonia Concertante in B-flat major".

The repertoire will also include Chinese composer Shi Wanchun's "Festival Overture", a music piece expressing his sincere feelings towards the motherland; "Namouna Suite d'Orchestre No. 1", by Lalo, a prominent French composer of the Romantic era; and "Symphony No. 5 in C minor, 'Fate'", a Beethoven classic.

Established in 1978, the HKYSO comprises members aged between 12 and 25. Over the years, it has nurtured many eminent local performers and music educators. The HKYSO has also played the role of a music ambassador for Hong Kong and has participated in concert tours to France, Israel, Cyprus, the United Kingdom, Australia, the United States, Singapore and the Mainland.

Tickets priced at \$70, \$90 and \$115 are now available at URBTIX (www.urbtix.hk). For telephone bookings, please call 3166 1288. For programme enquiries, please call 2796 1003 or 3842 7784 or visit www.lcsd.gov.hk/musicoffice.