

## **BFAC appreciates Consumer Council and PCPD's committed efforts in encouraging good trade practices in adopting AI and enhancing data governance**

The following is issued on behalf of the Business Facilitation Advisory Committee Secretariat:

The Business Facilitation Advisory Committee held its 49th meeting today (November 9). At the meeting, the Consumer Council (the Council) briefed members on findings and recommendations of the study report titled "Fostering Consumer Trust – Ethical Artificial Intelligence in E-Commerce" (Report). The Office of the Privacy Commissioner for Personal Data (PCPD) also briefed members on its role in assisting businesses and organisations to enhance data governance.

The Council conducted its first-ever study on the use of artificial intelligence (AI) in e-commerce in Hong Kong and published the Report in September this year. The Report identifies various challenges currently faced by Hong Kong's consumers and traders when they use or develop AI, reviews the objectives and policies of AI governance adopted by different countries and regions around the world, and includes the views of consumers and key stakeholders including government officials, regulatory authorities, innovation and technology related organisations and industry associations. On the basis of complying with ethical standards and balancing the interests of all parties, including safeguarding consumer rights, the Council advocates a series of recommendations to enable the healthy development of AI in e-commerce.

The Committee appreciated the Council's efforts in advocating the collective development of responsible and ethical AI by all stakeholders and fostering long-term societal and economic benefits.

The PCPD issued the "Guidance on the Ethical Development and Use of Artificial Intelligence" in August 2021 to help organisations understand and comply with the relevant requirements of the Personal Data (Privacy) Ordinance (Cap. 486) (PDPO) when they develop or use AI. The PCPD has also issued the "Privacy Management Programme: A Best Practice Guide" and established the Data Protection Officers' Club (DPOC) with a view to assisting organisations in establishing a comprehensive privacy management system. The PCPD also provides data protection practitioners from both public and private sectors with effective training and an experience-sharing platform. The Privacy Commissioner for Personal Data appeals to organisations to embrace personal data protection as part of their data governance

responsibilities in order to ensure compliance with the PDPO.

The Committee appreciated the PCPD's efforts in enforcing the provisions of the PDPO, promoting the culture of protecting and respecting personal data as well as assisting businesses and organisations to enhance data governance.

The Committee also received the work reports of its three task forces:

#### Joint meeting of the three task forces

- The Environmental Protection Department (EPD) briefed the three task forces on the charging framework of the Waste Disposal (Charging for Municipal Solid Waste) (Amendment) Ordinance 2021 and the latest development of the implementation of municipal solid waste (MSW) charging. MSW charging will be levied through the dual modes of charging by designated bags or designated labels and charging by a weight-based "gate-fee". The task forces had a good exchange of views on the implementation arrangements of the Amendment Ordinance, and were interested in the implementation details of the Amendment Ordinance and support for trade. The task forces suggested the EPD to enhance its engagement with trade for a better understanding of their concerns to facilitate the consideration on the commencement date of MSW charging.

#### Wholesale and Retail Task Force (WRTF)

- The Government strives to provide multi-pronged assistance to Hong Kong enterprises, and reviews and enhances various support measures from time to time having regard to the economic situation and needs of the trade. These include the major support schemes provided by the Commerce and Economic Development Bureau (CEDB) for small and medium-sized enterprises in the wholesale and retail sector. On September 2, 2022, a paper was circulated to the WRTF on the Government's various supportive measures and enhancement arrangements. The WRTF noted the support schemes and suggested the CEDB to continue streamlining the application processes and shortening the turnaround time for approval of the SME Financing Guarantee Scheme.

#### Food Business and Related Services Task Force (FRSTF)

- The Food and Environmental Hygiene Department (FEHD) briefed the FRSTF on the revision of the licensing condition for the restricted food permit (online sale of restricted food) (permit). Permit holders are required to provide the required permit information on the home page of websites and the online platform accounts in a clear manner enabling members of the public to access the permit particulars more easily. The FEHD informed the permittees of the revision in writing by batches in October this year. Subject to the implementation of the revised

licensing condition, the FEHD will proceed to arrange the same amendment for other premises holding food business licences or permits. The FRSTF thanked the FEHD for the briefing so that the trade can better plan the preparation work to comply with the requirement.

- The FEHD consulted the FRSTF on the code of practice on take-away meals and meal delivery services (Code). In order to reduce the risk of foodborne diseases, the Code states general hygiene and food safety requirements for handling meals ready for consumption for related business stakeholders' reference when they provide take-away meals and meal delivery services. The FEHD plans to roll out the Code by end of this year. The FRSTF thanked the FEHD for the briefing, and considered that the Code would facilitate the trade to define the responsibilities for concerned business stakeholders.

#### Task Force on Business Liaison Groups (BLGTF)

- The Labour Department (LD) briefed the BLGTF on the Employment (Amendment) Ordinance 2022 which came into operation on June 17, 2022. The Amendment Ordinance strengthens the protection of employees' rights and benefits when they comply with specific anti-epidemic requirements. It also makes clear their respective obligations and rights when employers request their employees for COVID-19 vaccination. The BLGTF appreciated the LD's efforts for the clear explanation of the statutory requirements which facilitate the trade's compliance with the Amendment Ordinance.
- The FEHD briefed the BLGTF on the enhanced Online Licence Services (OLS) system which allows "iAM Smart" users to use a single digital identity to sign up and log in to the OLS system for submitting applications online, while at the same time assisting the applicants to fill in the required information more easily. The BLGTF thanked the FEHD's committed efforts in enhancing their electronic licensing services, which further facilitate liquor licence/club liquor licence related applications and benefit a large number of trade operators.

The Committee expressed appreciation of the commitment and achievements of the bureaux and departments in continuously enhancing their business licensing services under the "Be the Smart Regulator" Programme. Furthermore, the Committee also welcomed that bureaux and departments would continue to implement e-services proactively to align with the Government's aim to turn all government services online in two years, as announced by the Chief Executive in the 2022 Policy Address.

Papers for the Committee meeting are available at

[www.gov.hk/en/business/supportenterprises/bf/advisory/index.htm](http://www.gov.hk/en/business/supportenterprises/bf/advisory/index.htm) for public access.