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 priorisation process conducted by a selection committee comprising subject matter experts from the academia as well as from the HKMA and Cyberport. The priorisation 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