

Speech by FS at Impact Conference 2020 (English only)

Following is the speech by the Financial Secretary, Mr Paul Chan, at the Impact Conference 2020 today (November 11):

Sunny (The Board Chairman of Hong Kong Applied Science and Technology Research Institute (ASTRI), Mr Sunny Lee), Hugh (The Chief Executive Officer of ASTRI, Mr Hugh Chow), Distinguished Guests, ladies and gentlemen, ASTRIANS and ASTRI Supporters,

Good morning.

It's a pleasure to join you today at the ASTRI Impact Conference, here to celebrate the 20th anniversary of the Hong Kong Applied Science and Technology Research Institute.

That's a big name. But then, your purpose, and the reason the Hong Kong SAR Government established ASTRI 20 years ago, is equally outsized. And no less visionary than you have proven to be.

Let's take a quick look back, back to the future. With the 21st century fast approaching, and Hong Kong newly returned to motherland, the Hong Kong SAR Government believed, and rightly, that Hong Kong needed once again to reinvent itself. The city needed to diversify beyond its status as a global trading economy and international financial centre.

In his 1997 Policy Address, our first Chief Executive, Mr Tung Chee Hwa, outlined a vision, that of making Hong Kong a high-powered innovation and technology hub. In March 1998, a Commission on Innovation and Technology was appointed, its findings summarised neatly in this statement, and I quote: "We envisage Hong Kong to be an innovation-led, technology-intensive economy in the 21st century."

The report recommended the establishment of a publicly funded applied science and technology research institute. Two years later, ASTRI was born. Your vision: to take your place as a world-class technology developer, and enabler, enriching the lives of the people of Hong Kong in doing so. Your mission: to enhance Hong Kong's competitiveness through applied research. I would say you have more than accomplished that in your first 20 years.

Sunny summarised some of those achievements in his address.

He noted ASTRI's development of a 3D, real-time conversion technology for glasses-free 3D displays. He might well have added that ASTRI's stunning 3D-innovation contributed to its business partner's listing on NASDAQ.

He might also have mentioned one of ASTRI's world firsts: a city-wide

trial of cellular vehicle-to-everything technology in Wuxi. Results demonstrated significant progress in enhancing traffic safety and efficiency. Next year, that technology will be tested right here in Hong Kong, at a 14-km site in Sha Tin.

Sunny also spoke of ASTRI's focus on fintech, one of its 5 core areas. Just over a week ago, I spoke at the opening of this month's well-received Hong Kong Fintech Week. So I listened with particular interest when Sunny noted an ASTRI white paper, just released, detailing its new Smart Credit Scoring Framework. That development, he added, has the potential of giving our SMEs "a vital lifeline."

Given that some 98per cent of Hong Kong businesses fall into the SME category, and that they account for 45 per cent of our city's employment, I can tell you that that "lifeline" will be of benefit to the whole of the Hong Kong economy and the community it serves.

In the pandemic economy we are all struggling in, anything that can help Hong Kong business stay solvent, while maintaining its customers, clients and employees, is a blessing. I look forward to seeing that Framework, now with the Hong Kong Monetary Authority, find speedy implementation.

The Government, to be sure, is doing its part in this testing time. Since the beginning of the year, we have made available more than HK\$300 billion through my Budget and the three rounds of the Anti-Epidemic fund.

Through the Fund, we launched a HK\$1.5 billion Distance Business (D-Biz) Programme. It helps companies adopt IT solutions to support their business and services during the epidemic.

The Programme received overwhelming response, with more than 38,000 applications in less than 6 months.

We are also funding public sector R&D trials targeting COVID-19 prevention and control under the Public Sector Trial Scheme. More than 60 projects have been approved, with total funding exceeding HK\$102 million. The trials have begun and I am hopeful that the wider adoption of technology in the public sector will lead to more business opportunities for our technology companies.

In short, COVID-19 only underscores the central policy priority we have placed on innovation and technology. In the past three years, the Government has devoted over HK\$100 billion to a great variety of I&T programmes and initiatives. They range from infrastructure provision and R&D to investment funding and talent development.

And the role of I&T will become much more important, given the newly announced National 14th Five-Year Plan. It puts technology at the heart of our country's sustainable social and economic development, with innovation a key driver in quality growth. Self-reliance in science and technology will become a strategic pillar underpinning our national development.

For us, that means expediting plans to build the Greater Bay Area (GBA) into an international I&T hub. It means boosting our technological collaboration with other cities in the GBA, particularly Shenzhen.

The good news is that we are well on our way to doing that. The GBA cluster-city development is committed to becoming a leading international I&T hub, and Hong Kong will help realise that ambitious goal.

The emerging Hong Kong-Shenzhen Innovation and Technology Park – a significant investment in Hong Kong’s long-term I&T development – will play a critical role in making it happen. Together with the Shenzhen Innovation and Technology Zone across the border, the area will create a central base for regional, and global, cooperation in scientific research.

There’s more, much more, in the high-tech works. Our first two research technology clusters at Science Park, one focused on artificial intelligence and robotics, the other on healthcare technologies, are attracting high-profile research and technology players from all over the world. And that can raise Hong Kong’s global I&T standing.

No less important, it will help enhance the competitiveness of our industries through collaboration and the technological adoption it promises.

And then there is ASTRI and you, the ASTRIANS – engineers of many stripes, data scientists, researchers and software developers, communications, design and cybersecurity specialists, and so many other I&T professionals. You passionately believe in your mandate. You have seen the future, and know that it will be powered by smart technology and continuous innovation. By I&T that helps people live richer, fuller, and more rewarding lives.

No pressure, of course, but we’re counting on you to help get us to that smart, sustainable and prosperous future. As soon as possible.

I look forward to ASTRI’s next 20 years, to the world, the city and the society that each and every one of you will help flourish and energise.

Once again, my congratulations on your milestone 20th anniversary.

The Impact Conference to follow is packed with high-profile speakers and the latest on technology, today and tomorrow. I know you will enjoy it.

Thank you.