

# Speech by STL at 23rd GS1 Hong Kong Summit 2024 (English only)

Following is a speech by the Secretary for Transport and Logistics, Mr Lam Sai-hung, at the 23rd GS1 Hong Kong Summit 2024 today (November 1):

May (Chairman, GS1 Hong Kong, Ms May Chung), distinguished speakers and guests, ladies and gentlemen,

Good morning. It is my pleasure to join you all here for this year's GS1 Hong Kong Summit. May I also extend my warm welcome to our visitors from around the world, as well as to those of you who are now joining this event online.

Digitalisation is the game changer for trade and logistics. Take the e-commerce market as an example. The emergence of e-commerce has enabled sellers, shippers or manufacturers from around the world to promote and sell their products to an equally global customer base. We are glad that the pandemic is now behind us, but can we imagine what our lives would have been like without e-commerce during the pandemic, especially when there was extensive lockdown in different parts of the world? Truly, we have digitalisation and e-commerce to thank for allowing us to enjoy an international selection of products in that difficult time while staying safe and sound at home.

Digitalisation in trade and logistics is indeed an irreversible trend. With the surge in cargo volume and the increasing emphasis on prompt delivery, logistics going digital is a must, not an option. The Government therefore spares no efforts in providing all assistance to the trade to ride the tide of digitalisation to stay in the game. For instance, this year the Chief Executive has promulgated an array of measures, such as studying how to promote the digitalisation of trade through putting in place the necessary legal framework which is vital for instilling trust on technology.

Embracing digitalisation, nevertheless, does not mean the Government is neglecting the real economy. In fact, in developing new quality productive forces, we have repeatedly emphasised the importance of promoting the integration of the real economy and digital economy.

The Government has also been working in full steam to ensure the dividend from going digital benefits the real economy as well. On the logistics front, we are working to enhance the interconnectivity and interoperability of logistics data, with a view to facilitating better management of the flow of cargo and capital by the trade. On the other hand, we will also continue to provide funding assistance to the logistics sector, in particular the SMEs (small and medium enterprises), to adopt smart logistics practices through the Pilot Subsidy Scheme for Third-party

Logistics Service Providers, which was enhanced earlier this year by doubling the cumulative funding ceiling for each applicant organisation and extend the scope of funding to cover project-based training that will help companies to apply smart solutions to their operations more effectively.

With regard to e-commerce, which is one of the fastest growing business sectors in the world, the Government will review the existing procedures for e-commerce logistics and distribution to make cross-boundary goods distribution more efficient. Our goal is to establish Hong Kong as an e-commerce logistics distribution hub, which will help to consolidate our leading position in international trade and global logistics.

Apart from supporting the trading and logistics industry to embrace digitalisation, we are also leading by example by driving digital transformation within the Government through our Digital Policy Office. Such initiative will benefit not just the Government but also the public at large. For instance, stepping up cybersecurity protection and fortifying our information systems will ensure more secure storage of the massive of information we collect from the public. The pilot use of a locally developed generative AI document processing co-pilot application and issuance of blockchain-based electronic certificates will allow us to deliver speedier and more user-friendly services. We will continue with our digital drive to make government operations smooth as silk, just like the commerce and trade services Hong Kong offers.

Ladies and gentlemen, with the future of commerce and trade firmly written in ones and zeros, there is no better time than now for the trade to discuss how digitalisation will transform business and what they should do about it. For this, I would like to express my deepest appreciation to GS1 Hong Kong for their effort in organising today's conference, which is truly an excellent occasion for you all to exchange smart ideas and weave a digital fabric for Hong Kong's commerce and trade. I wish you all a very fruitful experience. For those coming abroad, do enjoy your stay in Hong Kong. Thank you.