40th International Conference of Data Protection and Privacy Commissioners

"Fair and Just Analytics and AI
The Hong Kong Ethical Data Stewardship and Assessment
Framework
Ethics Truly by Design"

Tuesday, 23 October 2018
The Hotel, Boulevard de Waterloo 38, 100 Brussels, Belgium

Opening Remarks by Mr Stephen Kai-yi WONG, Privacy Commissioner for Personal Data, Hong Kong, PRC

Ladies and Gentlemen,

Since I took office in 2015, I have witnessed parts of metamorphosis of the digital revolution and the evolution of data ecosystems, whereby data is collected and analysed through a collection of infrastructure, analytics and applications. Undoubtedly we have marched into data-driven economy.

According to Jack Ma, founder of Alibaba Group, after more than 20 years into the internet age, the global online landscape has largely been formed; the main task for the next three

decades would be to apply internet technologies in every aspect of society[1], such as manufacturing and retail; the key to success in the new economy is **data technology** and **data sharing**[2]. Jack Ma believed that digital revolution would free the human brain and lead to the use of technology and data to solve problems. He expected the machines invented by humans would "*for sure*" outsmart humans.

Meanwhile, renowned academics, computer scientists and entrepreneurs, such as Stephen Hawking, Elon Musk and co-founders of DeepMind, jointly issued an open letter, calling for maximising the societal benefit of AI, in addition to making AI more capable[3]. They demanded that "*our AI systems must do what we want them to do.*" In an attachment to the open letter, a number of research priorities for robust and beneficial AI have been identified, among which **ethics** is one[4].

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[1] https://www.scmp.com/news/china/article/2051287/alibabas-jack-ma-sees-dawn-data-sharing-era-global-internet-age
[2] https://www.scmp.com/tech/enterprises/article/2164836/jack-ma-sets-out-his-new-manufacturing-vision-alibaba-where-data
[3] https://futureoflife.org/ai-open-letter/
[4] https://futureoflife.org/data/documents/research_priorities.pdf?x93895

It is obvious that discussion about big data, AI and ethics are front-and-centre now. No wonder the main theme of this year's International Privacy Conference is *"Debating Ethics: Dignity and Respect in Data Driven Life"*.

Whilst useful insights are produced, data ecosystems do have a significant impact on our daily lives at a speed that we could not have dreamt of. Extensive and ubiquitous collection of personal data, both online and offline, together with the unpredictability in the use and transfer of the data, has posed challenges to the data privacy frameworks around the globe which are largely notification or consent-based. Individuals may not even be aware that their personal data has been collected or shared, not to mention exercising control over their data. Sophisticated data mining, analytics and profiling techniques may, either inadvertently or purposefully, expose one's innermost secrets, or intimate space. Depending on the source and quality of the data and the algorithms, the results of data analytics may be biased or discriminatory.

Like many other data protection laws, the Personal Data (Privacy) Ordinance of Hong Kong (Cap. 486 of the laws of Hong Kong) is principle-based and technology neutral. The benefit of a piece of principle-based and technology neutral legislation is that it has the ability to be nimble and responds to the changing privacy landscape to protect privacy. However, the advancement of technology and the proliferation of advanced data processing activities are stretching the limits of the underlying data protection principles enshrined in the Ordinance such as "notice and consent", "use limitation" and "transparency".

In view of these challenges to personal data protection and the data economy and as a regulator, I am duty bound to find the way out for both data users (organisations) and data subjects (individuals) in the digital age. Like those academics, computer scientists and entrepreneurs I mentioned earlier, I believe that data ethics would be the long-term solution. As Mr Giovanni

Buttarelli has rightly pointed out: "*Massive digitisation and machine learning are demanding new and smarter policy responses: stronger enforcement but also empowerment through tools like meaningful consent; **ethics and accountability and a fairer allocation of the digital dividend**.* [5]" (Emphasis added)

Enforcement of the law to protect personal data privacy rights aside, calls have been made to reflect our values in the digital era that underpin privacy and data protection, including dignity, respect in data driven life, otherwise known as data ethics.

Businesses or organisations which amass and derive benefits from personal data cannot simply have the mindset to conduct their operations to meet the minimum regulatory requirements only, as a recent incident involving a social media platform shows that there is a big gap between stakeholders' expectations and the social media platform's data practices. They should be held to a higher ethical standard that meets the stakeholders'

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[5] "*Accept and continue: billions are clocking into digital sweat factories without realising it*" (30 April 2018), Giovanni Buttarelli: https://edps.europa.eu/press-publications/press-news/blog/accept-and-continue-billions-are-clocking-digital-sweat-factories_en

expectations alongside the laws and regulations. Data ethics can therefore bridge the gap between legal requirements and the stakeholders' expectations. Data ethics are the bedrock for nurturing and flourishing a reformed data protection culture in times of change.

Ethical values and principles typically centre around fairness, respect and mutual benefits. In practice, it may involve genuine choices, meaningful consent and fair exchange between organisations and individuals, among others. These ethical values and principles also tend to have more enduring applicability and higher flexibility, in particular when dealing with matters that require delicate balancing. More importantly, data ethics are indispensable for building trust among organisations and individuals, and trust is the bedrock of the data economy. In perhaps simpler forms, trust draws participation, which in turn breeds respect. Respect is built on ethics and ethics drive trust.

It is against this background that I have commissioned the Information Accountability Foundation (**IAF**) to conduct this consultancy study – the Legitimacy of Data Processing Project, with a view to identifying the value of data, the meaning of "ethical" or "fair" data processing, standard for ethical data stewardship and motivators for businesses to embrace data ethics, establish trust and generate added values for all stakeholders. The consultancy study also aims to provide a tool in the form of model assessment frameworks to assist organisations that conduct advanced data processing activities to put the core ethical values into practice. Peter (Cullen) will provide us with more elaboration on the ethical values and the tools in a moment.

About twenty organisations in Hong Kong from various sectors (e.g., banking, insurance, telecommunications, healthcare services, transportation) have participated in the project by providing comments and feedback on the draft project deliverables, so as to ensure that the recommendations of the

project are relevant and practicable in the business environment and day-to-day operations. I am truly grateful for the invaluable contribution made by these organisations. In particular, special thanks must go to Gracie (Ng) from Hong Kong Science and Technology Parks Corporation, Lowana (Yick) from CLP Power Hong Kong Limited and Geff Brown of Microsoft, who are with us today. Both Garcie and Geff will also share with you on building ethics into "data decisioning" in a moment.

We sincerely hope that these project deliverables will become wieldy, helpful and effective tools that assist organisations in Hong Kong and beyond to implement data ethics in their daily operations, and to fully reap the benefits of the data-driven economy while protecting and respecting the fundamental rights (including the right to privacy), interests and freedoms of individuals.

The publication of the project findings will mark the beginning of my office's strengthened initiative for a cultural change in

data privacy protection. Through continuous incentivising and engagement efforts, I hope that in the not too distant future, ethical data stewardship will become a well-received norm among organisations in Hong Kong.

I would also like to extend my sincere appreciation for IAF's admirable professionalism and acclaimed expertise in accomplishing this project. Special thanks must go to Martin Abrams, Peter Cullen, Lynn Goldstein and Julianne Seaman for their most inspirational thoughts, advice and dedication.

I wish you all a most fruitful and enjoyable afternoon.

Thank you.