

**Ethics in Artificial Intelligence**  
**Research Initiative for the Asia Pacific**

**Online Roundtable**

Friday 10 September 2021

**Opening Keynote Speech by Ada CHUNG Lai-ling,**  
**Privacy Commissioner for Personal Data, Hong Kong**

1. Professor Lam (Wai-Fung Lam, Director of Centre for Civil Society and Governance, HKU), Dr. Jimenez (Arianne T. Jimenez, Privacy & Public Policy Manager, Asia Pacific, Facebook) distinguished speakers and guests, ladies and gentlemen, good morning. I am very honoured to be invited to give the keynote speech at this roundtable.
  
2. As you are aware, organisations increasingly adopt artificial intelligence (AI) in their operations. According to a global survey by McKinsey<sup>1</sup> in 2020, 50% of the companies interviewed adopted AI. Another research by PwC estimated<sup>2</sup> that global GDP could be up to 14% higher in 2030 as a net effect of using AI. The research also concluded that the momentum will likely come from improved

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<sup>1</sup> McKinsey & Company (2020), *The State of AI in 2020*:  
<https://www.mckinsey.com/business-functions/mckinsey-analytics/our-insights/global-survey-the-state-of-ai-in-2020>

<sup>2</sup> PwC (2017), *Sizing the Prize - What's the real value of AI for your business and how can you capitalise?:* <https://www.pwc.com/gx/en/issues/analytics/assets/pwc-ai-analysis-sizing-the-prize-report.pdf>

productivity, followed by better personalisation and quality of services and products.

3. The figures quoted are unsurprising when AI is considered a key driver of the “Fourth Industrial Revolution”. With supportive government policies, the Asia Pacific region is expected to be the epicentre of the growth of AI.<sup>3</sup>

### **Risks of AI**

4. While the use of AI presents huge opportunities and benefits, it also carries inherent risks to the protection of personal data and privacy owing to its data-intensive nature. As machine learning algorithms often rely on a vast amount of training data to generate “intelligence”, organisations may be inclined to collect and retain excessive data for the sake of AI training.
5. In short, AI developed by machine learning may be so “intelligent” that sometimes the AI models may evolve beyond human comprehension. This may well undermine the transparency and interpretability of AI systems. In case inaccurate or biased training data is used, the automated decisions made by AI may even lead to or reinforce bias and discrimination.

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<sup>3</sup> GlobalData (2020), *APAC set to emerge as epicenter for artificial intelligence growth, says GlobalData*: <https://www.globaldata.com/apac-set-to-emerge-as-epicenter-for-artificial-intelligence-growth-says-globaldata/>

### **Research Initiative of HKU and Facebook**

6. In the light of these risks, more should be done to ensure that the development and use of AI are on the right track. While AI is going to transform the way we live and contribute substantially to the global economy, all stakeholders should strive to mitigate the privacy and ethical risks hand in hand. Therefore, I really appreciate the research initiative of The University of Hong Kong (HKU) and Facebook, as it promotes a collaborative effort made by the industry, think tanks, research organisations and the academia to address the issues.
  
7. I am also delighted to know that the research initiative is striving to resolve the ethical risks of AI, by setting out three research themes, namely, Ethics or Fairness by Design, Governance, and AI Ethics & Diversity. Today, I would like to take this opportunity to once again welcome and congratulate our eight winners of the research initiative. With the insights gained from their research projects, I believe that we can develop more ethical and more trustworthy AI in the near future.

### **Work of the PCPD on Data Ethics**

8. My office, the PCPD, has been advocating data ethics since 2018 by introducing the Ethical Accountability Framework for advanced data processing activities, including AI and machine learning. Among other things, the Framework proposes three Data

Stewardship Values, namely, being respectful, beneficial, and fair to stakeholders. Organisations are also advised to conduct Ethical Data Impact Assessments when data processing activities may affect people.

### **International Development of AI Ethics**

9. As the wave of AI is sweeping across the globe, the international community has established numerous governance principles and guidelines to address the ethical risks of AI. For example, the Global Privacy Assembly, the European Commission and the OECD have published their respective guidelines to promote AI governance in recent years. A report of the United Nations shows<sup>4</sup> that there are currently over 160 sets of AI principles published by different organisations worldwide.
  
10. Among the guidelines and principles for AI, we can see some commonalities, such as the principles of accountability, transparency, fairness, data privacy, and human oversight. In April this year, the European Commission made a proposal for regulating AI by legislative means. If passed, this may become the first law in the world specifically enacted for regulating AI.

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<sup>4</sup> United Nation (2020), *Report of the Secretary-General – Road map for digital cooperation: implementation of the recommendations of the High-level Panel on Digital Cooperation*: <https://undocs.org/A/74/821>

11. In Europe, although the term “AI” is not explicitly written in the General Data Protection Regulation (GDPR), the GDPR does regulate profiling and automated decision-making. A case in point is article 13 of the GDPR. It requires that a data subject must be provided with certain information if the data processing activities involve profiling and automated decision-making, such as meaningful information about the logic involved, as well as the significance and the envisaged consequences of such processing for the data subject. Article 22 further provides that a data subject shall have the right not to be subject to a decision based solely on automated processing, if it produces legal effects on him/her or has an important bearing on him/her similarly. These requirements may help to ensure transparency and fairness in the use of AI.
  
12. Indeed, some data protection regulators in the EU are taking actions under the GDPR against the improper use of AI. For instance, the Italian data protection regulator has recently imposed<sup>5</sup> multimillion euro fines on two major online food delivery firms (€2.6 million and €2.9 million respectively) for their discriminatory AI algorithms. The algorithms in question were used for monitoring and assessing delivery workers’ performance. Workers might be penalised if they received a low score from the AI. However, the Italian regulator found that workers were not

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<sup>5</sup> GovInfoSecurity (2021), *Food Delivery Services Face GDPR Fines Over AI Algorithms*: <https://www.govinfosecurity.com/food-delivery-services-face-gdpr-fines-over-ai-algorithms-a-17212>

adequately informed of the logic involved and the functioning of the system. The companies also failed to guarantee the accuracy and correctness of the scores. Workers had no way to make an appeal either. While the enforcement actions in Italy are eye-catching, at the other end of the pendulum there are voices in the UK calling for the repeal of the relevant GDPR requirements to make way for innovation and development of AI. These developments perhaps remind us of how challenging it is to strike a balance between promoting innovation and safeguarding human rights.

### **PCPD's AI Guidance**

13. In Hong Kong, it is high time we had a wider discussion on whether and how we should regulate AI. Last month, my office published the “Guidance on Ethical Development and Use of Artificial Intelligence” (the “Guidance”), with a view to helping organisations to develop and use AI in an ethical manner, and to comply with the Personal Data (Privacy) Ordinance, the data protection law of Hong Kong, when they develop or use AI.
  
14. Expanding from the three Data Stewardship Values of being respectful, beneficial and fair to stakeholders as recommended by my office, the Guidance promulgates seven ethical principles for AI, namely, accountability, human oversight, transparency and interpretability, data privacy, fairness, beneficial AI, and reliability,

robustness and security. These seven principles are in line with internationally recognised principles in the field.

15. Meanwhile, the Guidance also provides a four-part practice guide, structured in accordance with general business processes, to assist organisations in managing their AI systems, namely, establishing AI strategy and governance; conducting risk assessment and human oversight; development of AI models and management of AI systems, and fostering communication and engagement with stakeholders.
16. In essence, while the Guidance reflects internationally recognised principles, the recommended good practices therein are by no means exhaustive. Notwithstanding the ongoing and rapid evolution of AI, we should spare no efforts in addressing and minimising the privacy and ethical risks related to the development and use of AI.

### **Conclusion**

17. To conclude, I believe that the presentations of the research projects at this roundtable will be both inspiring and thought-provoking.
18. I am sure that if we work together, we can promote the beneficial use of AI while respecting and protecting individuals' privacy and

fundamental rights. So with this in mind, I wish you all a very fruitful and inspiring conference. Thank you.