

Regulatory sandbox pilot projects officially launched to foster low-altitude economy and innovative industry development

The Government announced today (March 20) the list of the first batch of low-altitude economy (LAE) Regulatory Sandbox pilot projects, which will be rolled out progressively, to enable members of the public to "see and feel" the tangible benefits of the LAE. These projects will also allow the Government and relevant sectors to simulate diversified scenarios, multiple air routes and overarching low-altitude airspace management matters, while accumulating data and experience to guide the work on multiple fronts including regulations, infrastructure, and applications.

The Chief Executive, Mr John Lee; the Secretary for Transport and Logistics, Ms Mable Chan; the Director-General of Civil Aviation, Mr Victor Liu; the Chairman of the Legislative Council (LegCo) Panel on Information Technology and Broadcasting, Ms Elizabeth Quat; the Deputy Chairman of the LegCo Panel on Information Technology and Broadcasting, Mr Duncan Chiu; LegCo Member Mr Frankie Yick; and the Council Chairman of Hong Kong University of Science and Technology (HKUST), Professor Harry Shum, officiated at the LAE Regulatory Sandbox – Launch Event, marking the official start of the pilot projects. They also unveiled the logo specifically designed for the LAE Regulatory Sandbox (see Annex).

"The LAE is one of our nation's strategic emerging industries, as well as the example in exploring new quality productive forces," Mr Lee said. He pointed out that the LAE not only gives rise to a series of industries, but also brings along a very wide scope of application scenarios with a tremendous potential for development. It is set to strengthen city management and business efficiency, and create a whole new experience of smart living for the public, making it an important growth engine for the economy. Mr Lee stressed that Hong Kong is dedicated to develop into an international innovation and technology centre and an international hub for high-calibre talent. The Government will unleash the potential of the LAE by bringing together research and development outcomes and corporate efforts, taking forward the LAE in a safe and healthy manner to make Hong Kong a pioneer in the emerging new quality productive forces industry of the LAE, creating a new era of a "smart sky".

The Council Chairman of HKUST – the Sandbox's supporting organisation – Professor Shum, said in his welcome remarks, "HKUST is honored to be the venue host for this landmark occasion that marks a significant step in transforming aerial innovation into tangible societal impact in Hong Kong. I deeply appreciate the Government's visionary leadership in driving the city's LAE development, and I am excited that HKUST has been among the first batch of the Regulatory Sandbox pilot projects. By harnessing our interdisciplinary

strengths, we will help create a robust framework that fosters a vibrant LAE ecosystem. In collaboration with the Government and other stakeholders, we are poised for a historic 'take-off' together for the rise of a trillion-dollar LAE market."

The Government received Regulatory Sandbox pilot project proposals from 72 applicants, and after review by the Working Group on Developing LAE, 38 of them are among the first batch of pilot projects to be rolled out with applicant backgrounds from enterprises, universities/research institutes, public utilities and government departments. The project list has been uploaded to the website of the Transport and Logistics Bureau (www.tlb.gov.hk/eng/highlights/transport/low-altitude.html). The projects cover a wide range of fields and application scenarios, including emergency and rescue, logistics and distribution, inspection and safety maintenance, surveillance and low-altitude infrastructure. The Project Facilitation Task Force under the Working Group, along with government-appointed technical partners and venue partners, will actively assist the implementation of the selected projects to expedite the research and development of the industry, as well as enhance work efficiency, citizen's quality of life and consumer experience through innovation and technology.

A number of organisations of the pilot projects with various application areas set up booths at the Launch Event to introduce the application scenarios and features of their projects. Some of the Sandbox applicants also make use of drones for demonstrations.

The Working Group will closely monitor the implementation of the first batch of pilot projects to better prepare for and decide on the timing and details for the second batch of applications. The Working Group will also organise different activities with technical and venue partners to progressively expand and enrich the scope of low-altitude flying applications, providing new impetus to Hong Kong's economy.

The Chief Executive announced in the 2024 Policy Address to establish the Working Group to boost the development of LAE from various perspectives, with promoting Regulatory Sandbox pilot projects as one of its major tasks.