

LCQ7: Assisting innovation and technology enterprises in developing Belt and Road markets

Following is a question by the Hon Duncan Chiu and a written reply by the Secretary for Innovation, Technology and Industry, Professor Sun Dong, in the Legislative Council today (December 18):

Question:

There are views pointing out that the Belt and Road (B&R) Initiative is an important national development strategy, and Hong Kong, as a key link and the prime platform for the B&R Initiative, can play the role of a "super value-adder" under "one country, two systems", as well as leverage its edge in innovation and technology (I&T) development to assist B&R countries and regions in enhancing their development and advancement, and facilitate the in-depth integration of various economies in such countries and regions, so as to achieve mutual benefits and win-win outcomes. In this connection, will the Government inform this Council:

(1) of the number of I&T enterprises in Hong Kong which have successfully developed B&R markets so far with assistance provided by the Government, and the proportion of start-ups among such enterprises; the B&R countries and regions to which such enterprises have exported I&T products and solutions developed in Hong Kong, as well as the major technology areas, products and solutions involved; the relevant successful examples;

(2) whether the Government has, by drawing reference from the successful experience mentioned in (1), further explored ways to broaden and deepen measures to assist more I&T enterprises in Hong Kong in the development of B&R markets, thereby creating opportunities for the use of Hong Kong's products of scientific researches by more overseas countries; if so, of the results, and how it will take forward the relevant work in the future;

(3) whether the Government has grasped and gained an understanding of I&T enterprises in Hong Kong which intend to develop B&R markets, including the number and technology areas of the enterprises involved, as well as the countries and regions where such enterprises intend to explore markets; if so, of the details; if not, the reasons for that, and whether it will conduct a comprehensive survey and follow up subsequently;

(4) whether it will take the initiative to look into the demand for technological products in B&R countries and regions, and co-ordinate such demand for direct matching with I&T enterprises in Hong Kong; if so, of the specific details and implementation timetable; and

(5) whether it has explored ways to systematically and strategically assist

I&T enterprises, especially start-ups, in Hong Kong in exporting their newly developed I&T products and solutions to B&R countries and regions; if so, of the details, including the findings of the study and the earliest time for launching the relevant strategies and measures; whether it will consider setting up a dedicated B&R fund to provide I&T enterprises in Hong Kong with their most needed financial assistance in developing B&R markets?

Reply:

President:

The Government is committed to consolidating Hong Kong's role as the functional platform for the Belt and Road (B&R) and giving full play to our role as a "super connector" and "super value-adder", thereby making our contribution to the eight major steps taken by our country to support the joint pursuit of high-quality B&R co-operation (including the fifth major step: advancing scientific and technological innovation). The Chief Executive (CE) has established and led the Steering Group on Integration into National Development since December 2022 to provide steer to bureaux and departments to actively dovetail with the national strategies including the B&R Initiative. In addition, the Hong Kong Innovation and Technology (I&T) Development Blueprint promulgated in end-2022 also included "to proactively integrate into the overall development of the country and consolidate our role as a bridge connecting the Mainland and the world" as one of the four broad development directions.

In consultation with the Commerce and Economic Development Bureau (CEDB), the consolidated reply to the question raised by the Hon Duncan Chiu is as follows:

The B&R Summit, hosted annually by the Government, has been recognised by our country as a case of significance for the implementation of the B&R Initiative in building a global community of shared future. The ninth Summit was held on September 11 and 12, 2024, with the theme of "Building a connected, innovative and green Belt and Road". The Summit attracted around 6 000 government officials, business leaders and representatives of enterprises from over 70 B&R-related countries and regions, as well as more than 100 delegations and 38 state-owned enterprises from the Mainland.

Under the themes of "advancing scientific and technological innovation" and "promoting green development" of the eight major steps our country has taken to support the joint pursuit of high-quality B&R co-operation, the Belt and Road Office (BRO) under the CEDB and the Ministry of Commerce co-led a Hong Kong cum Mainland business delegation (including representatives from Hong Kong's I&T sector and start-ups) to visit Hungary and Kazakhstan in May 2024, and returned via Xinjiang, encouraging Hong Kong and Mainland enterprises as well as Hong Kong's professional services in jointly exploring the B&R markets and bringing back fruitful outcomes. The CE led a delegation to visit Laos, Cambodia and Vietnam from July 28 to August 2, 2024, during which a total of 55 memoranda of understanding (MOUs) and agreements were signed in areas including trade and economic partnerships, investment,

customs collaboration, education, logistics co-operation, tourism promotions, technological co-operation, aviation services, as well as financial, banking and capital market development. In addition, the Financial Secretary led a delegation from the financial and I&T sectors to Saudi Arabia between October 29 and 31, 2024 to strengthen and deepen the connections between Hong Kong and the Middle East in areas such as trade, finance, and I&T to promote Hong Kong on multiple fronts as well as to tell good stories of Hong Kong, and to explore greater business opportunities.

The CEDB will continue to organise outbound missions, project matching events, exchange and interface on B&R capacity building, and exchange sessions and seminars, etc, to capitalise on our role as a B&R functional platform and showcase the strengths of our professional services, thereby helping Hong Kong enterprises and professional services explore business opportunities. BR0 plans to organise a B&R cross-professional forum in 2025, inviting enterprises of B&R countries and the Mainland in Hong Kong to engage in high-level exchanges with Hong Kong professionals (including I&T professionals). The forum will focus on exploring opportunities in new fields of co-operation of innovation, digitalisation and green development, etc., with a view to promoting Hong Kong's professional services. BR0 will also maintain exchanges with various professional bodies, with the I&T sector and start-ups covered, to explore business opportunities in B&R markets.

Moreover, the Hong Kong Science and Technology Parks Corporation (HKSTPC) and Cyberport as the I&T flagship organisations in Hong Kong, have committed to supporting I&T enterprises to explore different markets, including those in the B&R regions, and have maintained liaison with their I&T park companies and provided appropriate support to those intending to develop the B&R market. Besides, the two I&T flagships have been actively expanding their network of collaborative partners in the B&R regions, for example through leading start-ups to participate in overseas exhibitions and other activities, with a view to assisting I&T enterprises in seeking collaboration and business opportunities. For example, the Secretary for Innovation, Technology and Industry witnessed the signing of MOUs between HKSTPC and Cyberport and a research institute in Saudi Arabia in March this year during his duty visit to Saudi Arabia. The MOUs jointly explore ways to facilitate landing of enterprises and further collaboration opportunities. The two parks also collaborate with the business sector and other partners to provide comprehensive support services for I&T enterprises, including business consultation, investment matching, manufacturing and launching of products. Cyberport also operates the "Overseas/ Mainland Market Development Support Programme" to facilitate start-ups in market expansion and attracting overseas and Mainland investors. Cyberport has approved over 340 marketing applications, of which more than 220 are related to countries and regions along the B&R, involving start-ups in technology fields such as indoor hydroponic farming machines, artificial intelligence communication cloud platforms, cross-boundary e-payment platforms, etc. In addition, HKSTPC assists I&T enterprises in developing the B&R market. Among them, a start-up has created artificial habitats and restored degraded marine ecosystems by combining professional knowledge in marine biology with state-of-the-art 3D-printing and material science, and successfully tapped the Middle East

market. The two I&T flagships will continue to liaise with their I&T park enterprises and the I&T sector, as well as actively participate in regional or international conferences and exhibitions, promote commercialisation of research and development outcomes and assist in the export of such products to both the Mainland and overseas market, with a view to aiding I&T enterprises in the expansion of business and investment opportunities.

Meanwhile, the Hong Kong Productivity Council (HKPC) has also launched a series of initiatives to help enterprises explore markets in the B&R region. These include facilitating Hong Kong industry associations to connect with their counterparts in the region; holding activities such as exhibitions, promotional platforms and exchange sessions in the B&R countries and regions to showcase Hong Kong's advanced technologies and products and organising seminars and study missions for Hong Kong industry players to deepen understanding of the local markets and learn from successful experiences. For example, two New Productive Forces Meetup events were held in October and December 2024 respectively, bringing together consulate generals from B&R countries, Southeast Asian chambers of commerce and Hong Kong enterprises to foster exchanges, thereby enhancing understanding of local market demands and promoting collaboration.

In addition, the Hong Kong Trade Development Council Belt and Road Portal provides information on expanding business opportunities to investors, project owners and related enterprises interested in B&R markets or projects, as well as lists out B&R-related success cases, including those from I&T enterprises, with a view to facilitating business matching and project participation among enterprises and professional services.

As regards financial support, the Government has been supporting local enterprises in developing overseas markets, including B&R countries and regions, through various funding schemes and support measures. Local I&T enterprises could also benefit from such support. Among others, the Dedicated Fund on Branding, Upgrading and Domestic Sales (BUD Fund) provides funding support on a matching basis to encourage non-listed Hong Kong enterprises (including I&T enterprises and start-ups) to develop brands, upgrade their business operations and expand new markets. To date, the funding scope of the BUD Fund covers the Mainland and 39 economies with which Hong Kong has signed Free Trade Agreements and/or Investment Promotion and Protection Agreements, including 21 B&R countries (Note). The SME Export Marketing Fund also provides funding support for small and medium enterprises to participate in export promotion activities and develop non-local markets (including B&R countries).

Note: Including New Zealand, Chile, Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, Vietnam, Georgia, Korea, Kuwait, Austria, Luxemburg, Türkiye, the United Arab Emirates, Bahrain and Peru.

LCQ8: Enhancing publicity of mega events

Following is a question by the Hon Sunny Tan and a written reply by the Secretary for Culture, Sports and Tourism, Miss Rosanna Law, in the Legislative Council today (December 18):

Question:

There are views that as the staging of mega events in Hong Kong faces challenges in terms of inadequate local publicity and insufficient public awareness, the Government needs to optimise the use of existing infrastructure facilities for promotional purposes, so as to create a city-wide vibe. In this connection, will the Government inform this Council:

(1) whether it has studied ways to make good use of local publicity experience of the Information Services Department in its "work with organisers of high-profile local sporting, cultural and entertainment events to raise Hong Kong's profile globally", so as to step up promotion of mega events in Hong Kong through online and offline channels of the Government; if so, of the details; if not, the reasons for that;

(2) whether it has plans to, by drawing reference from the current practice of letting out advertising spaces available in government premises for commercial advertising purposes, open up more government premises with advertising spaces, such as the curtain walls of venues under the management of the Leisure and Cultural Services Department, for launching publicity of mega events in Hong Kong; if so, of the details; if not, the reasons for that;

(3) whether it will, by drawing on the experience of departments such as the Registration and Electoral Office and the Hong Kong Police Force in renting advertising spaces along major trunk roads and of public transport systems (for example, the MTR and Hong Kong International Airport) for promotional purposes, look into specific measures to encourage operators to let out idle advertising spaces at a concession rate for launching publicity of mega events in Hong Kong, such as the offer of tax deductions; and

(4) as it has been reported that M+ and Art Basel have co-commissioned works for the M+ Facade to celebrate mega events of the Hong Kong Arts Month, whether the authorities will consider discussing the extension of such practice to other mega events in Hong Kong with the West Kowloon Cultural District (WKCD) Authority, so as to jointly promote good vibes for mega events and encourage both artists as well as members of the public to explore the relationship between visual arts and city space, while creating an additional income source for the WKCD; if so, of the details; if not, the reasons for that?

Reply:

President,

The Government has stepped up promoting the development of mega events since early this year. On top of proactively reaching out and attracting more world-class mega events to be staged in Hong Kong, strengthening the publicity of mega events is also one of the key priorities. The Mega Events Coordination Group (the Group) led by the Deputy Financial Secretary provides steer on the promotion of mega events, including the launching or consolidation of publicity campaigns. The Group will also offer advice for different policy bureaux and departments on strengthening publicity for mega events, with a view to enhancing the atmosphere of mega events and encouraging citywide participation. In consultation with the Financial Services and the Treasury Bureau, the Transport and Logistics Bureau, the Information Services Department (ISD) and the Radio Television Hong Kong (RTHK), my reply to the question raised by the Hon Sunny Tan is as follows:

(1), (2) and (3) The ISD has been stepping up publicity and promotion of mega events through both online and offline means. A dedicated webpage has been set up on Brand Hong Kong (BrandHK)'s website by the ISD, featuring the mega events calendars, event highlights and press releases to provide relevant information of mega events to the public. The ISD issues posts on a regular basis across various social media platforms and produces a series of videos on mega events for further promotion across the city. Moreover, Key Opinion Leaders (KOLs) and Key Opinion Consumers (KOCs) from the Mainland are invited to attend mega events for publicity on platforms such as Xiaohongshu, WeChat and Weibo. BrandHK also co-brands with individual mega event organisers to further promote Hong Kong as Asia's Events Capital through outdoor advertising, banner displays and print advertisements, etc.

The RTHK has launched a new multimedia magazine-style programme, "Mega Events Mega Hong Kong", to promote the latest updates and information about major events in Hong Kong through TV, radio, and online platforms every day. It helps the public stay informed about upcoming events, such as October's Hong Kong Performing Arts Expo, Hong Kong Wine & Dine Festival, the 4th Guangdong-Hong Kong-Macao Greater Bay Area Culture and Arts Festival, and Prudential Hong Kong Tennis Open 2024; November's Global Financial Leaders' Investment Summit, Link Hong Kong Open, and Clockenflap Music & Arts Festival; and December's Business of Design Week, Business of IP Asia Forum, Legends Assemble: Real Madrid Legends vs Barcelona Heroes, and Hong Kong WinterFest. Apart from the TV programme airing daily on RTHK TV 31 and TV 32, promotional messages are broadcast daily in different programmes on Channels 1, 2, 3, 5, and the Putonghua Channel on the radio. Hosts also introduce event details to create excitement across the city, and bring joy and lively vibes of mega events to the public.

The Hong Kong Tourism Board (HKTB) has been publicising major international mega events held in Hong Kong through various channels. The HKTB has leveraged the global network to carry out publicity in the Mainland and overseas. The HKTB widely shares information about mega events on social

media platforms, including YouTube, Facebook, Instagram and the Mainland social media accounts, such as Xiaohongshu, Douyin and other official channels. The HKTB also invites the trade and KOLs to experience Hong Kong's mega events in person to help establish the reputation and further enhance publicity through their networks. For example, riding on Art Basel Hong Kong and other mega arts events held in March this year, the HKTB stepped up global publicity through its year-round promotional platform, "Arts in Hong Kong", boosting the city's arts atmosphere and fervour.

As for Cathay/HSBC Hong Kong Sevens 2024 held in March this year, the HKTB supported the organiser to introduce new elements and make the event a star-studded mega party with entertainment, food and beverage, and sports game all rolled into one. The HKTB and Hong Kong China Rugby jointly invited Oliver Phelps and James Phelps, who played the twins in the "Harry Potter" films, to enjoy the rugby game in Hong Kong and promote the city. Representatives of seven top-tier sports media firms from Korea were also invited to watch the game, experience outdoor events like horse racing in Hong Kong, and immerse in Hong Kong's charm as the Events Capital.

In addition, the HKTB has set up the Mega Event Development and Advancement Division (MEDA) since March 1 this year to serve as the first point of contact for mega events. The MEDA also works closely with stakeholders such as the event organisers to render all-round support, including assisting in publicity, to ensure smooth organisation of mega events in Hong Kong smoothly.

The Government has been utilising suitable locations in government premises for promoting mega events held in Hong Kong. In response to requests from departments hosting the events, the Government Property Agency has been making use of suitable government properties under its management (including joint-user government offices and boundary control points) for displaying large-scale advertisements at rooftop advertising spaces, external walls and/or prominent locations to publicise the relevant events as appropriate. Recent examples include the 15th National Games, Hong Kong Wine & Dine Festival, and Hong Kong WinterFest. The Government has provided advertising areas on suitable footbridges or pedestrian subways (such as the advertising areas at the Tsim Sha Tsui Interchange Subways and the Middle Road Subway) for use by government departments to promote and publicise their events. Government departments and organisations are also welcome to apply to the Highways Department (HyD) for hanging flags, buntings or decorative lights on the HyD's lampposts for event promotion.

Venues of the Leisure and Cultural Services Department also provide banner areas on external walls for promoting mega events organised in Hong Kong. For example, Chinese Culture Festival 2024 and Pokemon GO City Safari were advertised at Hong Kong Cultural Centre, which is a major performing venue, in Tsim Sha Tsui; A Path to Glory – Jin Yong's Centennial Memorial • Sculpted by Ren Zhe and Hong Kong Performing Arts Expo were publicised at Hong Kong City Hall in Central; Hong Kong Pop Culture Festival 2024 and 2024 Milwaukee Hong Kong Squash Open were promoted at Hong Kong Squash Centre which is a sports venue; and 2024 Hong Kong Snooker All-Star Challenge and

the 4th Guangdong-Hong Kong-Macao Greater Bay Area Culture and Arts Festival were promoted at Queen Elizabeth Stadium in Wan Chai.

Apart from the Government's publicity of different mega events, organisers of mega events have their responsibility to promote their events in locations and with means appropriate to the nature and target audience of the events. In fact, organisers of mega events are welcome to approach public transport operators to discuss advertising or other forms of commercial co-operation. The Airport Authority Hong Kong provides discounts for organisers of mega events on renting advertising spaces at Hong Kong International Airport to promote the mega events. The advertising panels installed at government tunnels and control areas are also available for rent for the purpose of mega events publicity. Examples of advertisements displayed include the Chinese New Year Cup, the 15th National Games, the 12th National Games for Persons with Disabilities and the 9th National Special Olympic Games.

We strongly encourage event organisers to allocate resources for promoting their events, such as through advertising and promotional campaigns. According to the prevailing tax arrangements, expenses on advertisement and promotional activities for promoting mega events are treated as marketing expenses and deductions can be claimed.

(4) Asia's first global museum of contemporary visual culture, M+ is dedicated to collecting, exhibiting, and interpreting visual art, design and architecture, moving image and Hong Kong visual culture of the twentieth and twenty first centuries. The M+ Facade is an important outdoor display space of the museum. Its functions align with the museum's galleries and showcase content related to arts and culture. All content displayed must be works commissioned by M+, moving image works from the museum's collections, the museum's artwork highlight videos, museum messages and brand videos. Since its launch, the M+ Facade has become a significant platform for presenting contemporary visual culture, offering the public and visitors innovative and engaging content that inspires intellectual reflection and moments of meditative contemplation. Since 2022, M+ has collaborated with Art Basel for four consecutive years and commissioned artists to present internationally representative visual culture programmes on the M+ Facade.

[Hong Kong Public Libraries launches “Journey with Words” online reading activities](#)

Hong Kong Public Libraries (HKPL) of the Leisure and Cultural Services Department and Radio Television Hong Kong (RTHK) Radio 5 are jointly

organising the online reading activity titled "Journey with Words" from December 2024 to June 2025. With the theme "journey", the activity aims to encourage members of the public to explore new perspectives and gain insights through the power of words, and utilise the e-book collections of the HKPL and various media to travel around different places.

The HKPL has a number of rich electronic collections, allowing readers to enjoy books anytime and anywhere. To encourage more members of the public to enjoy the convenience of e-reading, the HKPL has selected pieces of engaging articles from 100 books in the SUEP Chinese e-book collection and invited programme hosts of RTHK and HKPL Story Ambassadors to narrate the articles. The articles cover eight topics, namely culture, history, intangible cultural heritage, food and dining, cities, children, world and art.

The first 20 articles and recordings are now available under "Explore the Ocean of Books" on RTHK's Journey with Words website. The remaining articles will be uploaded in phases until June 2025. Besides reading and listening to the articles, members of the public can also access the SUEP e-Book collection to borrow the e-books after logging on to their HKPL accounts. Participants will receive a souvenir after completing the reading tasks and registration as set out on the Journey with Words website on or before June 30, 2025, while stocks last.

In addition, members of the public can participate in the Matching Quotes with Snapshots Competition through the Journey with Words website from now until January 6, 2025. Participants can select one of the 10 designated quotes on the website, take a photo in the theme of the selected quote, and submit the entry from the website after completing the online application form. Winners will receive a certificate and book coupons. The competition is suitable for persons of all ages, particularly children who can express their creativity and imagination under the guidance of their parents.

There are also Cultural and Creative Workshops held as parts of the "Journey with Words", where participants will visit studios of cultural and arts workers to listen to their sharings and exchange reading experiences. Workshops covering various topics will be held between January and May in 2025, which include fun calligraphy, fluid art bookmarks and landscape fan paintings. Details and the enrolment method will be announced on the Journey with Words website.

To encourage the public to integrate reading into their lives, another activity titled "City Hunt" will be launched as part of the "Journey with Words" in 2025. Participants will receive a souvenir after finding designated check-in spots that are related to the reading activities in various districts and tagging relevant photos on their social media accounts within a specified period. Please stay tuned to the Journey with Words website for the announcement of details.

For more information about the "Journey with Words" activities, please visit the HKPL web page:

www.hkpl.gov.hk/en/extension-activities/event-category/267805/journey-with-wo

[Hong Kong Customs alerts public to unsafe Christmas squeeze toy \(with photos\)](#)

Hong Kong Customs today (December 18) reminded members of the public to stay alert to an unsafe Christmas squeeze toy. Test results indicated that the eye component of the toy may detach and pose suffocation risks to children. To avoid an accident, parents should immediately stop their children from playing with the Christmas squeeze toy. Traders should also remove the Christmas squeeze toy from their shelves.

Customs officers earlier test-purchased various models of Christmas toys from retailers in different districts for safety testing. Test results revealed that the eye component of the Christmas toy concerned detached easily and could pass through the base of a testing template, posing a danger of suffocation for children if accidentally swallowed.

Customs later conducted an operation and searched the retailer's premises in connection with the case. Three suspected unsafe Christmas squeeze toys of the same model were seized and a prohibition notice was served at the same time to prohibit the continued sale of the Christmas squeeze toy by the retailer and the related wholesaler.

An investigation is ongoing.

Customs reminds members of the public to observe the following safety tips when purchasing and playing with toys:

- Pay attention to age recommendations shown on labels;
- Pay attention to and follow the instructions associated with the toys;
- Beware of whether the small parts of toys are easily detachable. Detached small parts may block a child's throat and lead to suffocation if swallowed;
- Check the structure of the toys to see, for example, whether they have a fragile structure, hidden sharp points, rough surfaces, sharp edges or gaps that may pinch children's fingers;
- Throw away plastic packages of toys and children's products to avoid children being suffocated; and
- Stop children from playing with the toys immediately if any damage is observed.

Customs is committed to the protection of consumer safety, and regularly conducts spot checks and safety tests on toys and children's products to ensure that they are reasonably safe for use by consumers.

Under the Toys and Children's Products Safety Ordinance, it is an offence to supply, manufacture or import unsafe toys or children's products. The maximum penalty upon conviction is a fine of \$100,000 and imprisonment for one year on first conviction, and a fine of \$500,000 and imprisonment for two years on a subsequent conviction.

Members of the public may report information relating to suspected unsafe toys or children's products via Customs' 24-hour hotline 182 8080 or its dedicated crime-reporting email account (crimereport@customs.gov.hk) or online form (eform.cefs.gov.hk/form/ced002).



[LCQ14: Promoting development of low-altitude economy](#)

Following is a question by the Hon Elizabeth Quat and a written reply by the Secretary for Transport and Logistics, Ms Mable Chan, in the Legislative Council today (December 18):

Question:

The Working Group on Developing Low-altitude Economy led by the Deputy Financial Secretary convened the first meeting earlier on to discuss the

overall strategies and work plan for developing the low-altitude economy (LAE), and announced that Regulatory Sandbox pilot projects (pilot projects) would be taken forward progressively starting from early next year. In this connection, will the Government inform this Council:

(1) whether the Government will make reference to the practice of Guangdong Province and study the proactive formulation of a demand list of application scenarios for LAE in Hong Kong in respect of Regulatory Sandbox, so as to showcase the opportunities for collaboration between the Government and enterprises in the application scenarios for various areas of demand, such as low-altitude infrastructure, industry operations as well as production and manufacturing, thereby facilitating the precise supply-demand matchup in the industry chain and promoting the realisation and application as well as generational upgrading of cutting-edge technologies and innovative products;

(2) as there are views pointing out that applicants for pilot projects have to bear the costs involved in preparing the applications and conducting trials on their own at the current stage and this may deter the participation of small and medium enterprises, whether the Government will study setting aside funding to offer project-based subsidies to such applicants, thereby promoting the trial run of LAE locally;

(3) as it has been reported that while LAE comprises a complete industry chain and there is demand for insurance under each of the components, LAE insurance is still at the stage of research in Hong Kong, of the Government's plans to encourage insurance companies to develop insurance products targeting areas of commercial application for LAE (such as freight logistics, passenger transportation and urban management, etc.);

(4) whether the Government will study the use the Geographic Information System complemented with three-dimensional geospatial data to establish a flight path planning information platform similar to "One Map" on the Mainland, and further, with the support of real-time meteorological data and based on the demand for take-off and landing points as well as major flight paths, design a "highway" for low-altitude airspace; and

(5) as it is learnt that many government departments in Shunde District of Foshan City have already applied a shared drone inspection system to collect data required by various departments supplemented by artificial intelligence (AI) models to effectively identify various urban management problems (including unauthorised building works and fly-tipping of refuse, etc.), thereby enhancing the efficiency of urban management, whether the Government will, by drawing reference from the relevant experience, study making use of low-altitude technology coupled with AI technologies to further enhance the efficiency of urban management and governance efficacy?

Reply:

President,

â€‹The Working Group on Developing Low-altitude Economy (the Working

Group) led by the Deputy Financial Secretary convened its first meeting on November 12 this year. Apart from discussing the overall strategy and work plan for the development of low-altitude economy (LAE), the Working Group also formulated the details of the Regulatory Sandbox (Sandbox) pilot projects. The Government will implement the Sandbox pilot projects progressively starting from early next year to foster innovation and facilitate the testing of potential application scenarios of low-altitude flying activities.

In consultation with the Development Bureau, the Environment and Ecology Bureau, the Financial Services and the Treasury Bureau, the Innovation, Technology and Industry Bureau, the Civil Aviation Department (CAD), the Environmental Protection Department and the Hong Kong Observatory (HKO), the reply to Hon Elizabeth Quat's question is as follows:

(1) and (2) The Government will carry out the Sandbox pilot projects by batches and the first batch of the pilot projects is now open for application. The pilot projects will be conducted under different scenarios to test various technical and ancillary facilities requirements, including the technical specifications of different types of unmanned aircraft, mobile radio communications networks, signal reception of global navigation satellite system, and requirements of the low-altitude surveillance system. We hope that the locations and routes of the trials can cover areas with different terrains, topography and development densities in Hong Kong, as well as different application scenarios. The objective is to progressively expand and enrich the scope of low-altitude flying applications.

The Sandbox pilot projects will provide a controlled and conducive environment to simulate diversified scenarios, multiple air routes and overarching low-altitude airspace management, allowing industry stakeholders to explore different application scenarios for LAE, while gathering data and experience at the same time to assist in the Government's informed decision making for the formulation of appropriate infrastructure, related supporting facilities as well as standard rules and practices for the long term development of low-altitude flying activities.

To leverage on the expertise of the industry, the Government has appointed the Hong Kong Productivity Council as technical partner, and the Hong Kong Science and Technology Parks Corporation and the Hong Kong Cyberport Management Company Limited as venue partners to facilitate the implementation of the pilot projects, while fostering the development of LAE industrial chain at the same time. The Government will also continue to closely monitor and make reference to the application areas for LAE in Mainland cities, and make corresponding deployments in Hong Kong in accordance with local circumstances.

Regarding the Government's funding support to the pilot projects, the Government has all along been supporting research and development (R&D) in different technology areas through different funding schemes. For example, the Innovation and Technology Fund (ITF) has been supporting local universities, R&D centres and enterprises to conduct R&D in electronics, data

transfer and processing, which are related to LAE, through its funding schemes. To promote the development of the innovation and technology industry, the Government encourages enterprises (including those involved in industries related to LAE) to set up R&D centres and new smart production lines in Hong Kong, including enabling production activities by capitalising on resources of Hong Kong's existing manufacturing industry, to promote the development of the real economy.

(3) The existing Small Unmanned Aircraft (SUA) Order (Cap. 448G) adopts a risk-based approach in regulating SUA operations. SUA operations of different risks, irrespective of their intended use, are subject to corresponding regulatory requirements based on the weight of the SUA and the level of risks involved in its operations, including insurance requirements.

On the premise of safeguarding aviation and public safety, and having balanced the readiness of the market, the mandatory insurance requirements are implemented in a phased approach. The first phase, which has been implemented with immediate effect from the commencement of the SUA Order since June 2022, is mandatory insurance for advanced operations requiring Category B operations to take out insurance to cover liability for bodily injury and/or death of a third party, with a minimum sum insured of \$10 million. The second phase will be mandatory insurance for Category A2 operations, with a minimum sum insured of \$5 million against third party bodily injury and/or death. This requirement will come into operation on a later date to be specified by the Director-General of Civil Aviation by notice published in the Gazette. At present, there are insurance products available in the market that comply with the existing regulatory regime under the SUA Order. The CAD has also been maintaining close communication with the insurance industry to keep abreast of the latest market situation.

To tie in with the development of LAE, the Government has started to review the existing civil aviation legislation and regulatory regime (including the insurance requirements for the operation of different types of unmanned aircraft) and will carry out the legislative amendment work in phases. Under the first phase, the existing SUA Order will be amended to cover unmanned aircraft weighing more than 25kg but not exceeding 150kg. These unmanned aircraft will be subject to specified requirements, including insurance requirements.

Depending on the progress of the pilot projects under various application scenarios for LAE, the risk data collected and the relevant legislative requirements in the future, the Government will continue to maintain close communication with the insurance industry and facilitate the industry in the cultivation and launch of corresponding insurance products for the development of LAE.

(4) and (5) The Government attaches great importance to the safe and efficient development of LAE and understands the importance of the Geographic Information System (GIS) and three-dimensional (3D) geospatial data in the planning of air route networks in low-altitude airspace. The Government will make reference to the experience of the Mainland and other regions and embark

on technical studies and planning for low-altitude infrastructure, including take-off/landing sites, communication networks, air route networks, low-altitude surveillance and management systems. The studies will also include the feasibility of using GIS technology and 3D geospatial data, as well as the integration of real-time meteorological information. In particular, the HKO is considering how to integrate real-time meteorological data to meet the specific needs of LAE for meteorological information, in particular at the low-altitude take-off/landing points as well as along the major air corridors. Concurrently, the HKO will collaborate with relevant government departments and industries to explore the utilisation of new technologies, including new observation systems, to provide meteorological support for the management and information platforms of the low-altitude airspace.

Furthermore, the Common Spatial Data Infrastructure managed by the Spatial Data Office (SDO) under Development Bureau has collected more than 900 spatial datasets from over 60 departments and organisations. Such information covers areas including maps, roads, traffic condition, land use, buildings, engineering and weather. The TLB, the CAD and the SDO are in discussion to explore using spatial data to help draw up the flight paths of low-altitude aircraft, among other things.

The Government's target is to formulate a multi-layered development framework which can accommodate Advanced Air Mobility of different classifications and operating parameters, satisfy the needs of major applications such as logistics, community delivery, urban management and public services, and address the local circumstances in Hong Kong. Under the framework of the existing SUA Order, various government departments make use of SUA to enhance the efficiency of urban management and public services, such as building surveying work, land surveying and management work, detection of land irregularities, monitoring of illegal pollution and marine dumping activities, operations of large-scale polluting plants, progress of development works, assisting in evidence collection for prosecution actions, integrating artificial intelligence (AI) technology for investigation and maintenance of sewage facilities. Various government departments will actively explore ways to integrate unmanned aircraft applications with AI technologies to further enhance the efficiency of urban management and public services.

At the same time, the Working Group also encourages various government bureaux and departments to actively participate in the Sandbox pilot projects to broaden the scope of unmanned aircraft applications in enhancing urban management and public services. We believe that the wider use of unmanned aircraft by the Government can spearhead industry efforts to expand application scenarios for low-altitude flying activities.