

## AirAsia partners MaGIC to launch drone delivery service



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By **HARIZAH KAMEL** / Pic By **RAZAK GHAZALI**

**TELEPORT** Commerce Malaysia Sdn Bhd, the logistics venture of AirAsia Digital, has partnered Malaysian Global Innovation and Creativity Centre (MaGIC) to launch the Urban Drone Delivery Sandbox and develop a long-term viability of urban drone delivery service.

The pilot project is intended to deliver goods from AirAsia Group Bhd's e-commerce platforms including AirAsia shop using automated drones.

In a statement recently, the company said the project is set to be carried out for a duration of six-month at the third National Technology and Innovation Sandbox (NTIS) test site in Cyberjaya, Selangor.



Science, Technology and Innovation Minister Khairy Jamaluddin Abu Bakar said Malaysia is poised to be the frontrunner in the drone technology (drone tech) industry, which is expected to generate US\$127 billion (RM517 billion) by 2025.

The global market size specific to drone package delivery was US\$642.4 million in 2019, and is projected to reach US\$7.388 billion in 2027.

He said the drone delivery of goods can be expanded and scaled up beyond e-commerce, such as delivery of essential or medical supplies to areas that are rural, remote, or affected by natural disasters.

"NTIS is happy to invite other drone tech startups to scale up by connecting them with regulators, telecommunications companies and other ecosystem players.

"Our role is to develop a more vibrant drone tech ecosystem, and this can be expedited with government intervention," he said in a statement.

AirAsia group CEO Tan Sri Dr Tony Fernandes said AirAsia is excited to be partnering MaGIC to explore urban drone delivery — an innovative logistic solution that will ultimately improve efficiency as accelerate the pace of delivery in urban areas.

"Besides, drone delivery enables us to keep up with the ever-growing demand for e-commerce and remain agile when facing a shifting economic landscape.

"Most importantly, this innovation will allow us to create new and high-tech job opportunities for Malaysians. The ability to pivot is part of our culture and while some are losing their jobs in aviation, we offer a second chance for them to build a new career with us through e-commerce," he said.

He added that AirAsia is ready to take on new innovative challenges and embrace the wave of IR4.0 to its advantage.

The Urban Drone Delivery Sandbox is currently at testing stage with two local drone operators VStream Revolution Sdn Bhd and Meraque Services Sdn Bhd.

The first phase of the project in Cyberjaya seeks to assess the capability, experience, approval process, deployment readiness and service expansion of the drone operators.

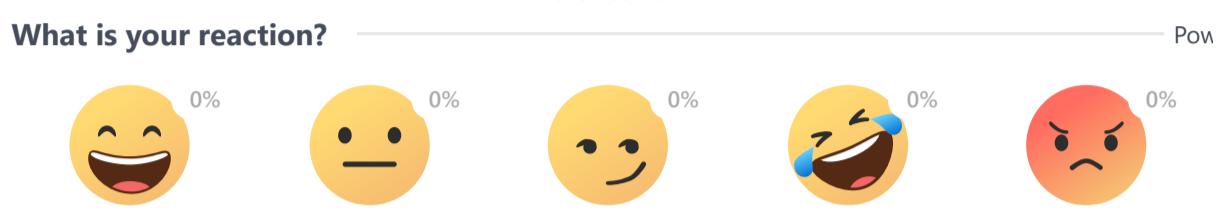
The service will be deployed upon a successful trial phase and might be expanded beyond the sandbox environment.

As a national solution coordination and facilitation centre, NTIS provides a critical step by eliminating all or selected processes and/or regulatory requirements to accelerate the development of innovative solutions from the research and development stage to being commercially ready.

NTIS has been working closely with Malaysia's sole technical regulator, Civil Aviation Authority of Malaysia (CAAM) to ensure the safety and security of Unmanned Air Services in urban settings meets the requirements and regulations as set by CAAM. This is to ensure public safety remains the highest priority while facilitating technology advancement.

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