

(FINAL)

**Notes of 1st Meeting of Hong Kong Fleet Operation Advisory Committee
(HKFOAC)**

Date : 30 November 2017 (Thursday)
Time : 2:30 pm to 5:30 pm
Venue : Conference Room A, Marine Department Headquarters, 24/F,
Harbour Building

Chairman	Mr. WONG Sai-fat	Deputy Director, Marine Department
Members	Ms. Sandy CHAN	The Hong Kong Shipowners Association Limited
	Capt. LI Chi Wai	Hong Kong Seamen's Union
	Capt. LI Chan-kuen	The Merchant Navy Officers' Guild - Hong Kong
	Mr. LAI Ming-hong, Leon	Amalgated Union of Seafarers, Hong Kong
	Capt. ZHOU Jian-feng	Wah Kwong Maritime Transport Holdings Limited
	Mr. Anil ARORA	Unique Shipping (H.K.) Limited
	Mr. WONG Ching-hoi, Ernest	Wealth Ocean Services Ltd.
	Mr. Uttam KUMAR JAISWAL	Pacific Basin Shipping (HK) Limited
	Capt. Pradeep Kumar CHAWLA	Anglo-Eastern Ship Management Ltd.
	Mr. SHUM Yee-hong	Goldbeam International Limited
	Capt. LAM Ming-fung, Lothair	Parakou Shipping Ltd.
	Mr. LEE Tin-ho, Peter	Reed Smith Richards Butler
	Mr. CHAN Chun-kam	American Bureau of Shipping
	Mr. Martin ROWE	Clarksons Platou Hong Kong
	Dr LEE Wing, Stephanie	The Hong Kong Polytechnic University
In-attendance	Mr. Martin CRESSWELL	The Hong Kong Shipowners Association Limited (accompanying Ms. Sandy CHAN)
	Mr. Gilbert FENG	The Hong Kong Shipowners Association Limited (accompanying Ms. Sandy CHAN)

	Mr. LIU Xing-qiang	COSCO (Hong Kong) Shipping Co., Ltd (stand-in representative for CHEN Yan)
	Mr. Raymond MOY	Orient Overseas Container Line (stand-in representative for TAI Shan-chien, James)
	Mr. CHENG Yeung-ming	Assistant Director/ Shipping, Marine Department
	Mr. YU Ying-wai	Assistant Director/ Multi-lateral Policy, Marine Department
	Mr. CHOI Chi-chuen	General Manager/ Shipping Registry & Seafarers' Branch
	Mr. KWAN Kan-fat	Chief/ Maritime Policy
	Mr. FONG Chung-lap, Gary	Senior Surveyor/ Cargo Ships Safety
Guest Speaker	Mr. Jonathan JONES	JLJ Maritime Hong Kong Ltd.
Absent with Apology	Mr. CHEN Yan	COSCO (Hong Kong) Shipping Co., Ltd
	Mr. TAI Shan-chien, James	Orient Overseas Container Line
	Mr. Laxman KUMAR	Langton Shipmanagement Limited
	Miss Catherine YEN	Ernest & Young (CPA Firm)
Secretary	Miss Jennifer LAM	Executive Officer / Shipping & Multi-lateral Policy Divisions (1)

(1) Agenda Item 1: Opening remarks

The Chairman welcomed all attendees to the meeting.

2. He first introduced the establishment of HKFOAC and its terms of reference. The HKFOAC was established on 1.10.2017 and it was in place to supersede the two consultative committees, including the Shipping Consultative Committee (SCC) and the Customer Relations Group under the Hong Kong Shipping Register (CRG). Having noted that some SCC and CRG members had overlapping memberships and some of the discussion topics of the two consultative committees were similar, MD has initiated an internal review for re-organisation of the consultative channels and thus set up the HKFOAC to oversee all technical and customer service matters relating to Hong Kong fleet. He highlighted that the appointments of HKFOAC non-official members were mainly divided into

two categories: institutional basis and ad-personum basis. The prior type was referred to those representatives nominated by the shipowners association and the trade. Since the appointment was made through nomination by organisation, the organisation could delegate a replacement member to attend the meeting, and any views or expressions made by the representative would be taken as from the organisation. The latter was appointed on individuals whom possessed relevant professional qualifications, working experience, expertise or specialty in a particular profession.

3. He briefed members that Mr. Jonathan JONES, a practitioner from the marine insurance sector, was invited to give a presentation on local maritime insurance service and its future development. The aim of this presentation session was to give members an overview on the services rendered by local maritime insurance firms and to promote the engagement of local insurance firms to ship companies and ship owners.

4. **The Chairman** invited the members to make declaration of interests with reference to the tabled agenda. No declaration was made in the meeting.

(2) Agenda Item 2: Last Notes of Meeting

5. The last notes of for SCC meeting (16.12.2016) and CRG meeting (28.7.2017) were sent out to respective committees and no comment was received so far. The two notes of meeting were endorsed and they would be uploaded to MD's website.

(3) Agenda Item 3: Matters Arising

(i) Official visit of Australian Maritime Safety Administration (AMSA) in January 2018

6. **The Chairman** remarked that there were many Hong Kong flag ships operating in the Australian waters and the AMSA has implemented stringent PSC measures on foreign ships. To enable Hong Kong maritime sector to know more about the PSC practices adopted by AMSA, MD has invited their representatives to perform an on-site sharing in Hong Kong next year.

7. **Mr. FONG Chung-lap, Gary from MD** reported that the General Manager, Operations from AMSA would visit Hong Kong during 4 and 5 January 2018. MD would arrange a PSC safety seminar on 4 January 2018 at Sheung Wan Civic Centre and AMSA would conduct a sharing session during the seminar. A

lunch meeting with HKSOA would be followed on 5 January 2018.

8. **The Chairman** invited HKSOA to disseminate the message to its member companies.

9. **Capt. Pradeep Kumar CHAWLA from Anglo-Eastern Ship Management Ltd.** pointed that some individual companies might have reservations to bring up the issues to PSC officers. He enquired whether HKSOA could raise questions to AMSA on behalf of ship companies. **The Chairman** responded that MD would invite questions from companies by email prior to the seminar. MD officials could consolidate these questions and raise them to AMSA officers in one lot.

(ii) **Issue of Electronic Certificates**

10. **Mr. CHOI Chi-chuen from MD** reported that starting from 12 September 2017, MD would issue Certificate of Registry (CoR) incorporated with a unique track number. Ship companies or other stakeholders could check the authenticity of these certificates on MD's website. With a view to attract more port States to accept our electronic certificates, MD has promulgated this new certification arrangement to China, Singapore, Korea and Japan, and these administrations were encouraged to accept our fax copies of certificates for authentication purpose.

11. For the way forward on the adoption of electronic certificates, MD needed to review respective local maritime legislations and see if the provisions could accommodate electronic certificates. Legislative exercises might be required for amendment of these provisions.

12. **The Chairman** supplemented that MD would endeavour to expand the scope of electronic certificates. It was worth-noting that some jurisdictions would encounter barriers in promoting electronic certificates. For example, in Mainland China, the port clearance procedures were usually manned by the Customs Department rather than the Maritime Safety Administration, thus it might have more obstacles to accept these electronic trading certificates. Even though there were challenges in promoting the use of electronic certification, MD officials would continue to liaise with different port Administrations to boost recognition of our e-certificates.

13. **Mr. Anil ARORA from Unique Shipping (H.K.) Limited** enquired if any MSIN was issued to announce the incorporation of track numbers on CoR. **Mr. CHOI Chi-chuen from MD** replied that MSIN No. 18/2017 was issued in September 2017 to spell out the new authentication protocol.

14. **Mr. Anil ARORA from Unique Shipping (H.K.) Limited** continued to enquire CoR issuance service would be available on weekends. **Mr. CHENG Yeung-ming from MD** responded that services beyond normal working hours could be arranged by reservation. **Mr. LEE Tin-ho, Peter from Reed Smith Richards Butler** asked if similar arrangement would be applied on provisional CoR. **Mr. CHENG Yeung-ming from MD** replied that advance booking could be made for processing of provisional CoR beyond normal office hours.

(iii) Presentation on Maritime Insurance

15. **Mr. Jonathan JONES from JLJ Maritime Hong Kong Ltd.** made a presentation on the historical development of maritime insurance service and the services provided in Hong Kong. The presentation slide was attached at **Appendix**.

16. **The Chairman** invited Mr. JONES to talk on the competitive edges of maritime insurers in Hong Kong compared to other jurisdictions.

17. **Mr. Jonathan JONES from JLJ Maritime Hong Kong Ltd.** mentioned that Hong Kong maritime insurance companies were more competitive as the services were more localised and easy to reach. Given Hong Kong's close companionship with China, local insurers' finance could be better syndicated. Hong Kong also had rich supply of human resources, thus facilitate technical support to the maritime industry and ensure speedy processing of claims. With suitable application of information technology and high level of information transparency, the brokerage fee could be relatively reduced.

18. **Capt. Pradeep Kumar CHAWLA from Anglo-Eastern Ship Management Ltd.** suggested that the maritime insurers should provide statistics on Hong Kong flag ships average accident rates so that ship companies could use for benchmarking and to improve performance. He believed that the disclosure of such information would be useful to determine the underwriting fee for each individual company based on their safety standards and past record.

19. **Mr. Jonathan JONES from JLJ Maritime Hong Kong Ltd.** replied that IHS Fairplay has listed the marine accident statistics for the industry' reference. He stressed that the quality on crew would be an essential factor affecting the safety standard of the ship.

[Remarks: A tea session was held from 3:45 pm to 4:15 pm.]

(iv) Developing of Ship Registration Guideline

20. **Mr. CHOI Chi-chuen from MD** reported that during the last CRG meeting held in July 2017, **Mr. Peter LEE from Reed Smith Richards Butler** suggested that MD might consider taking the example from Liberian flag to publish a registration handbook for illustrating ship registration procedures and best practices. Following this direction, MD had started the drafting of the handbook and the Shipping Registry would seek comments from the stakeholders when appropriate. It is expected that the handbook could be completed by Q3 of 2018.

(v) Date of Ship Registration

21. **Mr. CHOI Chi-chuen from MD** referred to the last CRG meeting on a reported case concerning provisional registration that the Shipping Registry Information System has automatically denoted the current date as the registration date, rather than the date of provisional registration. This arrangement might have shortened the insured period and thus posed higher risks to shipowners. Having investigated the problem, it is learnt that the existing Shipping Registry Information System was incapable to show or align the date of full registration with the date of provisional registration. The technical problem would be resolved in the upcoming system revamp exercise and it is expected that the new interface could be rolled out in Q3 of 2019. At the meantime, MD would issue a “Statement of Fact” to concerned shipowners specifying the date of provisional registration.

22. **Mr. Peter LEE from Reed Smith Richards Butler** pointed that the phenomenon was reported by a number of maritime law firms in the past and the registration date printed on the certificate was misleading. He appreciated MD’s investigation on the issue and agreed that the “Statement of Fact” would be a proper legal document to support that the provisional registration date was officially accepted by MD.

(vi) Collection of Customer Feedback of De-registered Ships

23. **Mr. CHOI Chi-chuen from MD** reported that taking views from last CRG meeting, the Shipping Registry has started collecting feedback from ships applying for withdrawal of registration. In the first 6 months of 2017, the response rate of survey was around 44%. The majority of the ships applying for withdrawal were due to selling of ships (55.56%) and scrapping (27.78%). Around 16.7% accounted for change of flags.

24. **The Chairman** thanked the recommendation provided by the CRG. The Shipping Registry would consider enhancing the content of the feedback questionnaire so as to collect more suggestions from customers in the future.

(vii) **Detention of Hong Kong Registered Ships**

25. **Mr. FONG Chung-lap, Gary from Marine Department** reported that in 2016 and 2017, there were 49 and 38 ships being detained respectively. In 2017, out of 38 detention cases, 12 ships were detained at Australian ports. The popular detainable deficiency items were sewage treatment plants, lifeboats, sulphur contents in Sulphur Emission Control Areas (SECAs) and emergency generators. A circular letter on proper maintenance of emergency generator was issued on 19 October 2017.

26. He highlighted that most of the detainable deficiencies could be identified by conducting a thorough self-check in accordance with MD's pre-arrival checklist. In case a ship discovered any deficiencies prior arrival to a port, the ship company had the responsibility to inform MD in advance and make proper arrangement. In cases where a ship has applied for exemption on a particular item, the port Authority should be notified prior to the entrance of that ship. He emphasized that notification to the pilot at bridge or information exchange between pilot and the crew might not be accepted as a formal mean of notification to the port Authority.

27. Some members expressed that they could not receive correspondences such as circular letters from MD and they were concerned that the email address list retained by MD might not be updated. The **Secretary** responded that the Shipping Division Secretariat of MD has recently sent out a letter by mail to respective ship companies to remind them to timely update with MD their contact information, including email addresses. Moreover, MD's website has provided RSS subscription service to allow ship company representatives or the general public to keep abreast of newly published notices.

28. **Capt. Pradeep Kumar CHAWLA from Anglo-Eastern Ship Management Ltd.** suggested that MD might consider allowing direct email subscription service.

29. **The Chairman** noted Capt. CHAWLA's recommendation and request the secretariat to explore the technical feasibility on the provision of such service.

(4) Agenda Item 4: Strengthening the Services at Economic and Trade Offices

(ETOs)

30. **Mr. CHOI Chi-chuen from MD** told the Meeting that MD has lobbied support from various ETOs, including Beijing, Shanghai and Tokyo, to provide CoR envelope collection service. A MSIN was issued on 9.10.2017 to inform ship owners and ship managers of the arrangement.

31. **Ms. Sandy CHAN from Hong Kong Shipowners' Association** enquired if MD would expand the CoR delivery service to all ETOs. **The Chairman** answered that the current three locations were the test points that had frequent dealings with MD. Should the work flow be consistently smooth, MD would consider engage services from more ETOs in the long run.

32. **Ms. Sandy CHAN from Hong Kong Shipowners' Association** continued to ask if MD would consider arranging non-professional grades staff to handle office hotline, phone enquiries and certificate delivery services, so as to spare professional manpower for other certification matters.

33. **The Chairman** replied that these tasks were now handled by a technical grade staff. Since registration matters involved considerable knowledge in bank transactions, verification and authentication of documents, maritime law etc., thus were not delegable to clerical grade staff. Sometimes, if the ship transaction involves on-site registration service, as required by law, it was necessary to deploy a professional grade officer, i.e. the official Registrar, for issuance of CoR.

(5) Agenda Item 5: Legislation Work

34. **The Chairman** reported that MD has a number of on-going legislative exercises, including Ballast Water Management, IGF Code, Polar Code and MARPOL.

35. **Mr. Anil ARORA from Unique Shipping (H.K.) Limited** enquired if Direct Reference Approach (DRA) could be used for all legislative exercises. **The Chairman** explained that whether or not DRA would be used in a specific legislative exercise was determined by DoJ. In general, DRA would only be accepted by DoJ if the law provisions involve changes purely in technical requirements, but not for new conventions or new requirements.

36. **Mr. Anil ARORA from Unique Shipping (H.K.) Limited** pointed that Hong Kong flag ships are required to follow international conventions on safety

and environmental standards irrespective of the local legislations as these ships engaged in international voyages. He opined that DoJ had limited authority to change the provisions as laid down in international conventions. He was of the view that DRA should be used as far as possible to ensure no gap between the international conventional requirements and the domestic regime.

37. **Mr. CHENG Yeung-ming from MD** remarked that DoJ law draftsmen should study and understand relevant international conventions before they could adapt them in local legislations. Based on local context and adaptations, DoJ had the rights to amend or incorporate provisions beyond international conventional requirements. Therefore, DoJ reserved the authority to decide on whether DRA should be pursued and MD would uphold the role of offering professional advice to these amendment exercises. In view of the staggering number of legislative exercises, the government has invested additional manpower resources to expedite the clearing of backlogs.

38. **Ms. Sandy CHAN from Hong Kong Shipowners' Association** enquired if MD had considered creating a specialised government counsel post to assist with the legislation work in maritime law. **Mr. CHENG Yeung-ming from MD** responded that MD had attempted to bid for one Senior Government Counsel some years ago but was not successful. At present, THB had taken the lead to oversee the legislative timeframe of each amendment exercise and it would closely monitor the progress to ensure timely completion of each procedure.

39. **Mr. Martin CRESWELL from Hong Kong Shipowners' Association** enquired the time when Hong Kong would implement the Hong Kong Convention. **Mr. CHENG Yeung-ming from MD** replied that the Hong Kong Convention was signed in 2009. Depending on China's decision on ratifying this convention, Hong Kong would act accordingly.

(i) **HKFOAC Paper No. 1/2017 on Maritime Labour Convention, 2006 (MLC, 2006)**

40. **Mr. KWAN Kan-fat from MD** was invited to report on *HKFOAC Paper No. 1/2017* on MLC, 2006. This paper has spelt out the new provision in MLC, 2006 for the extension of validity of existing MLC certificate of not more than five months. This arrangement would be applicable on cases in which renewal inspection has been successfully completed, while the new certificate cannot be immediately issued to the ship. The Merchant Shipping (Seafarers) (Working and Living Conditions) Regulation Cap. 478AF would be amended accordingly to effect the changes.

41. The **Meeting** observed no comment from the floor, the discussion paper was thus endorsed.

(ii) HKFOAC Paper No. 2/2017 on MARPOL Annex IV (Sewage)

42. **Mr. KWAN Kan-fat from MD** tabled *HKFOAC Paper No. 2/2017* on MARPOL Annex IV (Sewage). In the last MEPC meeting held in 2016, two resolutions (274 and 275) have been endorsed and it implied the imposition of a more stringent requirement on the discharge of sewage within the Special Areas in the Baltic Sea by passenger ships. Should such requirement be locally enacted, passenger ships may be required to be fitted with extra holding tanks or sewage treatment plants. Subject to members' views, Cap. 413K would be timely amended. **The Chairman** emphasized that the new requirement would only impact on passenger ships.

43. The **Meeting** observed no comment from the floor, the discussion paper was thus endorsed.

(iii) HKFOAC Paper No. 3/2017 on MARPOL Annex VI (Air Pollution)

44. **Mr. KWAN Kan-fat from MD** referred to *HKFOAC Paper No. 3/2017* on MARPOL Annex VI (Air Pollution). In the last MEPC meetings held in 2016 and 2017, two resolutions (271 of MEPC 69 and 278 of MEPC 70) have been endorsed and the Committee was going to tighten the emission control of NO_x and CO₂. For NO_x, ships en-routing NO_x emission control areas would be required to record their tier status and operational details into a logbook, the amendment regulation has just entered into force since 1 September 2017. For CO₂, all ships would be required to record their fuel oil consumption details in accordance with the Ship Energy Efficiency Management Plan (SEEMP) starting from 2019 calendar year.

45. **Mr. KWAN Kan-fat from MD** supplemented that MD has notified and alerted all Classification Societies regarding the changes in conventional requirement. Apart from that, information at the GISIS had also been updated to reflect Hong Kong's latest position to IMO.

46. **Mr. Martin CRESWELL from Hong Kong Shipowners' Association** enquired on the requirements put up by European Union (EU)'s Monitoring, Reporting, and Verification (MRV) regulation and by International Maritime Organisation (IMO)'s Data Collection System (DCS) regarding the collection

and reporting of ship's fuel oil data. He also asked if there would be any penalty if the requirements were not complied within Hong Kong waters. **Mr. KWAN Kan-fat from MD** replied that for EU's MRV regulation, it requires ships calling EU ports to report and submit fuel oil data to EU's accredited verifiers. On the other hand, for IMO DCS, ships are required to comply with MARPOL Annex VI and the data were needed to be reported to ship's flag states or their ROs. The domestic legislation exercise on depositing MARPOL Annex VI requirement was underway and it involves amending the existing Cap. 413K. During the interim period, MD would authorise ROs to collect data and verification work pertaining to fuel oil consumption. A Statement of Compliance (SoC) would be issued to ships complying with the requirement. The related MSIN would be issued in due course. **Mr. CHENG Yeung-ming from MD** supplemented that if ships were found to have non-compliance issue with respect to this conventional requirement, MD would report to its next port and it might be a detainable deficiency.

47. **Mr. Anil ARORA from Unique Shipping (H.K.) Limited** was aware that there was time lapse concerning the enactment of new conventional requirement and the implementation of domestic legislations. He urged the Administration to expedite the progress of legislation exercises. **Mr. CHENG Yeung-ming from MD** responded that given that local legislative exercise was still in progress, MD would issue Statement of Compliance for those ships that would engage in international voyage.

48. **The Chairman** acknowledged the view shared by Mr. ARORA. With a view to better prepare for IMO member states' audit, THB has taken the initiative to oversee the legislative progress of all maritime law and the present backlogs were expected to be cleared before end of 2019.

(6) Agenda Item 6: The Use of Butterfly Valve as the Collision Bulkhead Valve for Cargo Ships

49. **Mr. FONG Chung-lap, Gary from MD** was invited to talk about the latest IMO requirement on the use of butterfly valve on board ships. In relations to the new amendments to SOLAS II-1, IMO has promulgated new arrangement on the use of butterfly valve as collision bulkhead valve for cargo ships. For ships built between 1984 and 2009, SOLAS stipulated that ships should engage with "suitable valves". In its 2006's amendments, the requirement was changed to "screw-down valve" and it was imposed on all ships built on or after January 2009. In June 2017, IMO has issued a new resolution, MSC.421(98) and announced acceptance on the use of butterfly valve. Such new arrangement would be effective in January 2020 and it would be applicable on ships constructed on or after January 2020.

50. For the interim period, for ships built between 2009 and 2020, MD would accept ships equipping with suitable butterfly valves instead of screw-down valves. Given that new SOLAS requirement was not yet entered into force, and in absence of supporting local legislation, MD would issue exemption certificates for those ships fitted with butterfly valves on a case by case basis.

(7) Agenda Item 7: Ship Safety Issues

51. **Mr. FONG Chung-lap, Gary from MD** reported that in the past two years, MD observed several incidents concerning vessels losing control when maneuvering in port or transiting canal. Even no injury was reported, these incidents revealed potential risks relating to vessel machinery and control systems. Amongst the reported incidents, three cases involved groundings due to malfunctioning of vessels' steering gears, and one case involved a black-out shortly after the ship casting off from berth. Taking into account the seriousness of these observations, it was necessary to draw members' attention for heightening the awareness of the seafarers on the proper maintenance of critical equipment and systems on board ships. Pre-arrival and pre-departure tests were encouraged to spot out malfunctioning equipment/ system at an early stage.

A.O.B

(a) Application and Collection of Hong Kong Licenses

52. **Mr. CHOI Chi-chuen from MD** reported an issue raised by *Mr. WONG Ching-hoi, Ernest from Wealth Ocean Services Ltd.* At present, MD accepted two channels of application for Hong Kong Licenses of seafarers: the traditional method (i.e. by post/ email/ fax) and through the e-business system. The prior method required the shipowners to submit original copies of the documents for checking, but such requirement was not imposed for the latter method. Moreover, under the e-business system, the applicants were only required to keep the original documents for 6 months. In view of the disparity in the processing procedure, SRSB was tasked to review current work flow and would consider streamlining work procedures adopted by the traditional channel. Regarding the collection of licenses, for both traditional and e-business method, the applicant could choose delivery by post or self-pick up at MD's office.

53. **The Chairman** supplemented that for the application of Hong Kong Licenses, should a company opted for applying through the e-business system, the system could automatically trace the overseas registrar and the past record. However,

such information was normally not readily available for those applying through traditional method, thus it was a usual practice that MD required the applicant to submit the original documents for checking. Subject to operational need, MD would consider streamlining the submission procedures currently adopted by the traditional method.

(b) Bill of Sale issued by Court outside Hong Kong

54. **Mr. Peter LEE from Reed Smith Richards Butler** quoted a transaction case concerning the judicial sale of a distress ship, i.e. the ship sale was initiated by court due to bankruptcy of the ship company. He enquired if MD would recognise the bill of sale issued by overseas court and whether or not MD would accept the sale if the ship was under arrest. **Ms Sandy CHAN from Hong Kong Shipowners' Association** enquired about the standing policy upheld by MD regarding overseas judicial sale.

55. **Mr. CHOI Chi-chuen from MD** replied that the case had been referred to DoJ for legal advice. There was no generic policy applied on these sales as factors like the law system adopted by the overseas court might affect the interpretation imposed by DoJ. These transactions would only be considered on a case-by-case basis.

56. **Ms Sandy CHAN from Hong Kong Shipowners' Association** expressed that HKSOA would be interested to know the final decision put up by MD concerning the case quoted by Mr. Peter LEE.

(c) Development of Big Data Project initiated by Singapore Maritime Administration

57. **Capt. Pradeep Kumar CHAWLA from Anglo-Eastern Ship Management Ltd.** pointed that the Singapore Maritime Administration had commissioned IBM to convene a big data project to facilitate its management and analysis of fleet and formulate policies to strengthen maritime safety. He was willing to share the contact of the IBM professor with MD to see if Hong Kong could take example of. **The Chairman** welcomed the information shared by Capt. CHAWLA and he was invited to pass the information to the Secretariat after the meeting.

(d) FSQC Inspection

58. **Mr. Anil ARORA from Unique Shipping (H.K.) Limited** pointed that

due to manpower shortage problem in MD, there were difficulty for ship companies to timely arrange FSQC inspections as these inspections were undertaken by MD surveyors. He asked if it is possible to delegate the power to surveyors of Recognised Organisation (RO) to perform the inspection on behalf of MD. He was aware that there might be conflict of interests issue, so he suggested that that ship company could engage surveyors apart from the responsible RO so as to maintain impartiality.

59. **Mr. CHENG Yeung-ming from MD** remarked that such arrangement was not legally viable as the legislation only empowered government surveyors to conduct FSQC inspection for Hong Kong flag ships. **The Chairman** supplemented that the delegation to RO surveyors for conducting FSQC inspection could not comply with IMO requirements as these surveyors were not exclusive surveyors.

60. There being no other business, the meeting was adjourned at 5:40 p.m. The date of the next meeting would be announced in due course.

Secretariat
Multi-lateral Policy Division
Marine Department
January 2018