

**Notes of 5th Meeting of
Hong Kong Fleet Operation Advisory Committee (HKFOAC)**

Date : 6 December 2022 (Tuesday)
 Time : 3:00 p.m. to 4:25 p.m.
 Venue : (Online)
 Room A, 24/F, Marine Department Headquarters,
 Harbour Building, 38 Pier Road, Central

Chairman	Mr. WONG Sai-fat	Deputy Director, Marine Department
Members	Ms. CHAN Pui-shan, Sandy	The Hong Kong Shipowners Association
	Capt. LI Chi-wai	Hong Kong Seamen's Union
	Capt. LAU Mang-tak	The Merchant Navy Officers' Guild - Hong Kong
	Mr. LAI Ming-hong	Amalgamated Union of Seafarers, Hong Kong
	Mr. AU HO-wing, Johnny	Pacific International Lines Pte Ltd.
	Ms. Tracy KOO	Valles Steamship Company Limited
	Capt. FENG Zhen	Ocean Longevity Shipping & Management Co., Ltd.
	Mr. Vikram DHINGRA	Pacific Basin Shipping (HK) Limited
	Mr. SHUM Yee-hong	Goldbeam International Limited
	Capt. Abhishek PRASAD	Landbridge Ship Management (HK) Ltd.
	Mr. CHEUNG Shun-man Manson	ABC Shipping (HK) Ltd.
	Dr. LEE Wing, Stephanie	The Hong Kong Polytechnic University
	Mr. CHAN Kei-kan	COSCO Shipping Container Line Agencies Limited
In- attendance	Capt. Biju NARAYANAN	Wah Kwong Shipping Agency Co., Ltd (Stand-in for Mr. Zhou Jian-feng)

Mr. Martin CRESSWELL The Hong Kong Shipowners Association

MD officials	Mr. CHOI Chi-chuen	Assistant Director/ Shipping
	Mr. LIU Chiu-fai, Barry	Assistant Director/ Multi-lateral Policy
	Mr. Tang Hing-Kong, Jerry	Principal Surveyor/ Maritime Policy
	Mr. LUI Kam-leung, Stanley	General Manager/ Ship Safety
	Mr. LEE Wing-chung, Eric	General Manager/ Ship Registration & Quality
	Mr. NG Ngai-wing, Jammy	General Manager/ Seafarers and Examination
Absent with Apology	Capt. Antao CARLOS	Seaspan Ship Management Ltd.
Secretary	Mr. LAM Siu-chan, Teddy	Surveyor/ Quality Assurance

The Chairman welcomed all attendees of the meeting.

2. **The Chairman** introduced that virtual meeting was arranged due to pandemic situation. He highlighted that the physical meeting would be arranged when the pandemic is getting better.

Agenda Item 1: Endorsement of Notes of Last Meeting (3 January 2020)

3. The Secretary reported that the draft of last meeting notes had been circulated to members prior the meeting. **The Chairman** invited the floor to give comments.

4. Since Members had no objection, **the Chairman** endorsed the notes of last meeting.

Agenda Item 2: Matters Arising

(i) The progress of Electronic Certificate

5. **Mr. Tang Hing-Kong, Jerry from MD** reported that the legislation work of e-certificates concluded seven (7) Ordinances amendments. After the amendments, it would facilitate the use of electronic certificates and electronic logbooks onboard Hong Kong-registered ships (HK-registered ships).

6. **The Chairman** summarized that all the discrepancies for drafting the legislative amendment of electronic certificates were sorted out, and expected that the electronic certificates could be implemented for HK-registered ships by mid-2023.

Agenda Item 3: Legislation Work

(i) Update of legislation amendments made in the 2020-2021 and 2021-2022

7. **Mr. Tang Hing-Kong, Jerry from MD** tabled summary tables on legislative exercises conducted in 2020-2022. He highlighted that all legislative amendments in 2020 to 2022 had been completed, including five (5) International Maritime Organization (IMO) resolutions and five (5) local legislation in 2020; four (4) IMO resolutions and five (5) local legislation in 2021; and five (5) IMO resolutions and eight (8) local legislation in 2022. The tabled summary tables would be sent out to members through Secretary.

8. **Mr. AU HO-wing, Johnny from Pacific International Lines Pte Ltd.** enquired whether Port State Control (PSC) regime in Hong Kong would enforce the Energy Efficiency Existing Ship Index (EEXI), Carbon Intensity Indicator (CII) and MARPOL requirements that are to be applicable in 2023. **Mr. LUI Kam-leung, Stanley from MD** expressed that Hong Kong PSC officers will examine the compliance of EEXI and CII in accordance with IMO guidelines.

9. **Mr. Tang Hing-Kong, Jerry from MD** supplemented that under IMO's requirements, all existing categorized ships will have to comply with the requirements of EEXI when attend the first annual, intermediate or renewal survey for the International Air Pollution Prevention (IAPP) Certificate on or after 1st January 2023. These ships have to have their certification reflected in the IEE certificate of the compliance of EEXI. To fulfil the requirements of CII, starting from next year, the operational data have to be gathered and reflected in the approved Ship Energy

Efficiency Management Plan (SEEMP) Part III by the end of 2022.

10. **Mr. Martin CRESSWELL from the Hong Kong Shipowners Association** enquired that many ships could not be able to meet the EEXI requirements as some of the equipment are unavailable especially in Europe. Whether MD would consider to give exemption if the equipment could not get in time. **Mr. LUI Kam-leung, Stanley from MD** expressed that MD recognized that it was difficult for shipowners to comply with the latest IMO requirements due to the COVID-19 pandemic. MD will continue to monitor the latest developments of IMO and follow the IMO guidelines to assist Hong Kong-registered ships to comply with the requirements, including issuance dispensations on a case-by-case basis. However, some PSC may not accept the dispensations. **The Chairman** supplemented that MD will accept all the supporting documents from RO and their flag administration during PSC inspection, and hope that other port authorities reciprocally doing the same.

(ii) & (iii) Legislation Progress & Coming Legislation Work

11. **Mr. Tang Hing-Kong, Jerry from MD** reported that MD had completed all IMO adopted resolutions in 2022. For 2023, MD identified two (2) IMO resolutions corresponding to two (2) local legislative amendment. One of them has already completed which is related to Anti-fouling System (AFS) Convention with respect to the new format of the IAFS Certificate that will be enforced on 1 January 2023. The next resolution regarding the International Maritime Solid Bulk Cargoes (IMSBC) Code on the new definition of Transportable Moisture Limit (TML) and the dynamics separation by which MD is working on it. For the coming 2023, MD has identified three (3) IMO resolutions and one (1) ILO resolution in relative to five (5) local legislative amendment. There were also eight (8) IMO resolutions adopted in MSC 160 meeting. MD will keep closely monitoring the necessity in the local legislative amendment.

12. **Ms. CHAN Pui-shan, Sandy from The Hong Kong Shipowners Association** enquired about the progress of legislation of Hong Kong Convention. **The Chairman** expressed that three (3) criteria are required to be met before the entry into force of the Hong Kong Convention. These criteria are (i) rectification by at least 15 member States; (ii) the total gross tonnage of these States representing not less than 40 per cent of the world's merchant shipping; and (iii) the combined maximum annual recycling volume of those States must, during preceding 10 years, constitutes not less than 3% of their combined merchant shipping

tonnage. Other than the number of member State, the other two criteria have still not yet been fulfilled.

[Post meeting notes: As at 10 October 2022, 19 member States have adopted the Hong Kong Convention, which representing 29.32% of the gross tonnage of the world's merchant shipping. The combined annual ship recycling volume of the Contracting States during the preceding 10 years amounts to 13,946,356 gross tonnage which is 2.36% of combined merchant shipping tonnage.]

Agenda Item 4: The promotional activities done for HKSR

13. **Mr. LEE Wing-chung, Eric from MD** reported that, with more than 2 400 ships that aggregate about 128 million gross tonnage (GT), the Hong Kong Shipping Registry (HKSR) was still the fourth largest registry in the world in terms of gross tonnage. He added that a number of new build ships are queuing up to apply for registration with HKSR upon their delivery in 2023-2025.

14. He also briefly reported the services provided and promotional activities conducted by HKSR and RDs in 2022, including the world-wide FSQC Audit of HK-registered ships, HKSR promotional video, award presentation ceremony, safety seminars and company visits. He also introduced the launching of new services for HK registered ships and companies including the new distribution service for Hong Kong Licence (HKL) which facilitates the collection of seafarers' HKL at the Shanghai RD office, and the One-stop e-Service (OSS) to enhance the services to the shipping industry.

15. **Ms. CHAN Pui-shan, Sandy from The Hong Kong Shipowners Association** enquired about the progress of delegation of power from Director of Marine. **Mr. LUI Kam-leung, Stanley from MD** expressed that the delegation for issuance of dispensation has been in operation since 2020. The application of dispensation can usually be completed within one working day.

16. **Ms. CHAN Pui-shan, Sandy from The Hong Kong Shipowners Association** opined that since the peak of Hong Kong registered ocean going ships, there has been a drop in both the number of ships and the total gross tonnage. **Mr. LEE Wing-chung, Eric from MD** replied that MD also noticed the stagnant growth of Hong Kong fleet. He added that the total GT dropped by about 2.33% in the first half of 2022 but followed by a slight increase of 0.07% in Q3 2022. As shipowners would decide the registration location mainly based on its operation profile

and commercial perspective where MD was unable to control in full, MD would continue strengthening our global and digitalised services and promoting HKSR in available channels and maritime events. **The Chairman** supplemented that MD would keep closely monitoring the situation and try our best providing the best service. He added that HK-registered ships were at the top side in term of quality around the world with very competitive tonnage charge and registration fee which would still attract ship owners to register ships in Hong Kong.

17. **Capt. Biju NARAYANAN from Wah Kwong Shipping Agency Co., Ltd** expressed that they had been using the eBS system in the past few months for handling various applications, and found that there were burdens in placing e-signature on the application forms. **Mr. LEE Wing-chung, Eric from MD** appreciated the active usage of MD's e-service platform. He explained that only two Certification Authorities (CAs), namely the Hong Kong Post Certification Authorities services and Digi-Sign Certification Services Limited, are recognized under the Electronic Transactions Ordinance (Cap. 553). Being governed by Cap. 553, all applications from the HKG, including those for MD, could accept e-sign made by these two CAs only. MD will keep in view the situation and notify the trade when there are new CAs.

18. **Capt. Biju NARAYANAN from Wah Kwong Shipping Agency Co., Ltd** expressed that there were many maritime activities in Singapore and Philippines during maritime week in Hong Kong. Hence, the shipping industry could not joint all of their interested activities at the same. If Hong Kong has better coordination of the promotion activities as Maritime Hub, people have more visibility and come to Hong Kong to have more interaction. **The Chairman** replied that MD will relay the message to Transport and Logistics Bureau.

19. In response to **Capt. PRASAD Abhishek from Landbridge Ship Management (HK) Ltd** enquiry on maritime security matters in Gulf of Guinea and Indian Ocean, **Mr. LUI Kam-leung, Stanley from MD** expressed that MD circulated the Chinese Naval Vessels convoy schedule in the Gulf of Aden and the waters off Somalia to HK-registered ships on monthly basis. MD also encourage shipping companies to follow the Best Management Practices to Deter Piracy and Enhance Maritime Security (BMP) in the Red Sea, Gulf of Aden, Indian Ocean and Arabian Sea and BMP off the Coast of West Africa including the Gulf of Guinea. MD recognized that IMO is working on the maritime security measures

focusing on the Gulf of Guinea and will keep monitoring the development of IMO.

20. **Capt. PRASAD Abhishek from Landbridge Ship Management (HK) Ltd** expressed that Hong Kong is a Maritime Hub for many shipping companies in Hong Kong. Over the last 2 years, the superintendents did not visit their vessels and seafarers did not visit the headquarters' officers due to the quarantine policy for staying in hotel for 21 days at the early stage of pandemic outbreak. Recently, the quarantine policy is much better, travel is one of the major elements for the maritime industry. **The Chairman** replied that there is no travel ban in Hong Kong and travel restriction is easing recently. One of the shipping companies has even started arranging for seafarers to visit their office. MD has strong desire to resume our activities with suggestion to invite maritime authorities, particularly port State control officers, to Hong Kong for a safety seminar with our local shipping industry.

Agenda Item 5: A.O.B.

(i) Propose to revise the acceptance of towing voyage survey conducted by Non-government Surveyors and MDN 68 of 2016.

21. **Mr. LUI Kam-leung, Stanley from MD** presented the HKFOAC Paper No. 04/2022.

22. **The Chairman** supplemented that the wording of the existing guidelines is rigid, which set out the ocean towing survey must be carried out either by the MD surveyor or ROs of MD. The revised guidelines allows flexibility for flag administrations' inspector or its RO to conduct ocean towing survey. No adverse comment was received from the members.

23. There being no other business, the meeting was adjourned at 4:25 p.m. The date of the next meeting would be announced in due course.

**Marine Department
December 2022**