

Hong Kong Fleet Operation Advisory Committee

Use of Electronic Certificates for Hong Kong Registered Ships

Purpose

The purpose of this paper is to seek members' views on the proposal of amending our existing shipping ordinances and associated subsidiary legislation to introduce the use of electronic certificates ("e-certs") for Hong Kong registered ships ("HK ships") as an alternative option of paper certificates.

Background

2. With the advent of digital encryption and other cybersecurity technology, e-certs in place of paper certificates are increasingly popular with flag administrations and their Recognized Organizations ("ROs") throughout the world because e-certs are more convenient to shipowners and ship operators and offer robust authentication security against forgery. Indeed, the International Maritime Organization has also issued the "*Guidelines for the use of electronic certificates*"¹ seeking to set a global standard on the functions and security requirements of e-certs.

3. Under the existing regulatory regime whereby concerned shipping ordinances and associated subsidiary legislation were enacted in the old days without the provisions to allow for electronic documents, certificates can only be issued in paper form for HK ships upon completion of statutory procedures (e.g. surveys and ship registration etc.). In order to introduce the legal use of e-certs for HK ships and their acceptance by the Marine Department, there is a need to conduct legislation amendment in accordance with our legal advice.

The Proposal

4. Our policy intent is to keep the intact of our existing regulatory regime in relation to paper certificates. As such, we propose that the legislation amendment will aim to introduce

¹ The circular "FAL.5/Circ.39/Rev.2" approved by The Facilitation Committee in April 2016.

the use of e-certs as an alternative option of paper certificates. The legislation amendment also aims to enable the Director of Marine to accept the cancellation of e-certs as equivalent to the delivery up of cancelled paper certificates.

5. The following Ordinances and associated subsidiary legislation, included but not limited to, will be amended to introduce the use of e-certs.

- (a) Merchant Shipping (Safety) Ordinance (Cap. 369);
- (b) Merchant Shipping (Prevention and Control of Pollution) Ordinance (Cap. 413);
- (c) Merchant Shipping (Liability and Compensation for Oil Pollution) Ordinance (Cap. 414);
- (d) Merchant Shipping (Registration) Ordinance (Cap. 415);
- (e) Merchant Shipping (Seafarers) Ordinance (Cap. 478); and
- (f) Bunker Oil Pollution (Liability and Compensation) Ordinance (Cap. 605).

6. It is anticipated that the proposal would render better support for shipowners and ship operators of Hong Kong ships and to enhance our services in order to better meet the needs of the industry.

Consultation

7. Members' comments on, if any, and endorsement of the proposal are hereby sought.

Marine Department
Multi-lateral Policy Division
September 2019