

# LOCAL VESSELS ADVISORY COMMITTEE

## Minutes of the 7<sup>th</sup> Meeting

Date : 30 October 2009 (Friday)  
Time : 10:00 a.m.  
Place : Conference Room 1405-1406, 14/F, Harbour Building

### Present

Chairman: Mr. H P LIU	Deputy Director, Marine Department (MD)
Member: Mr. LO Ngok-yang, Ken	Representing Ship Building and Repairing Industry
Mr. TAM Mo-pun	Representing Naval Architects
Mr. LUK Pak-hung	Representing Seafarers' Training
Mr. LAI Hoi-ping	Representing Seafarers' Associations
Mr. WONG Miu-sang	Representing Cargo Vessels' Operations
Mr. KWOK Tak-kee	Representing Launch & Excursion Vessels' Operations
Mr. CHAK Kwok-leung	Representing Ferry Vessels' Operations
Mr. TSUI Wai-hung	Hong Kong Police Force
Mr. SO Ping-chi	GM/LVS, MD
Mr. BUTT Lee-yuen	GM/Ops, MD
Secretary: Mr. John LEUNG	ADS/C&G, MD

### In Attendance

Dr. HO Chi-shing, David	HK Ferry (Holdings) Co. Ltd.
Capt. WU Ka-shun	Hong Kong Shipping Staff Association
Ms. CHING Ngon-lai	Small Craft Workers Union
Mr. LEE Shing-hing	Sai Kung Ferry Traders Association
Mr. YIM Hing-yip	HK Cargo-vessel Traders' Association

### LVAC Sub-committees Members attending the presentation of LVAC Paper No. 14/2009

Miss LUK Wing-yan, Vivien	Class I Vessels
Mr. NG Siu-yuen, Nelson	- ditto -
Mr. Chris WONG	- ditto -
Mr. WONG Yiu-wah	- ditto -
Mr. Freddy YEUNG	Class II Vessels
Mr. CHAN Chi-ming	- ditto -
Mr. CHEUNG Kam-fu, Jacky	Class III Vessels
Mr. FOK Ngau	- ditto -
Mr. Jimmy CHOW	Class IV Vessels

### MD Official Members on LVAC Sub-committees

Mr. CHAN Cheuk-sang	SMO/HPS(1)
Mr. CHAN Kwong-chun	SMO/HPS(2)
Ms. NG Shuk-yee	SASM/HPS
Mr. CHAN Hon-bun	SMO/LPF
Mr. LEUNG Wing-fai	SS/LVS
Mr. KWAN Kan-fat	S(E)/EX

### Absent with apologies

Mr. ZHU Qi	Representing Ship Survey Work
Miss HO Pui-ling, Vivian	Representing Marine Insurance Industry
Mr. Danny WU	Representing River Trade Cargo Operations
Mr. LO Hoi-yin, Ambrose	Representing Pleasure Boating Operations
Hon. WONG Yung-kan, JP	Representing Fishing Industry

### Presentation of Papers

Paper No. 13/2009	Mr. BUT Siu-wai	SSO/MISS, MD
Paper No. 14/2009	Mr. MOK Wai-chuen	Assistant Director (Air Policy), Environmental Protection Department (EPD)
	Mr. HO Ka Man, Edmond	Principal Environmental Protection Officer (Mobile Source), EPD
	Mr. Michael LAI	Environmental Protection Officer (Mobile Source), EPD

## **I. Opening Remarks**

1. The Chairman welcomed all to the meeting. He extended, in particular, welcome to Mr. TSUI Wai-hung and Mr. YIM Hing-yip who were attending the LVAC meeting for the first time.
2. He also welcomed the members of LVAC Sub-committees who would attend the presentation of the LVAC Paper No. 14/2009, and the following guests and MD staff who would present LVAC Papers at the meeting: -

Mr. MOK Wai-chuen  
Mr. HO Ka Man, Edmond  
Mr. Michael LAI  
Mr. BUT Siu-wai

## **II. Confirmation of Minutes of Last Meeting**

3. The minutes of the 6th meeting held on 16 June 2009 had been circulated to members for endorsement. The minutes of the last meeting were confirmed without further amendment.

## **III. Matters Arising from Previous Minutes**

### ***LVAC Paper No. 1/2009 – “Consultation Paper on Implementation of the International Convention on Civil Liability for Bunker Oil Pollution Damages, 2001 in the HKSAR”***

4. The Chairman said that the proposed legislation had been discussed and passed by the Bills Committees of the Legislative Council in September 2009. The legislation could be expected to come into force early next year.

### ***Hong Kong-Zhuhai-Macao Bridge Project***

5. The Chairman informed members that the notes of the joint consultation forum on the Hong Kong-Zhuhai-Macao Bridge (HZMB) - Hong Kong Link Road (HKLR) & Hong Kong Boundary Crossing Facilities (HKBCF), and Tuen Mun-Chek Lap Kok Link (TM-CLKL) held by the Highways Department on 3.6.2009 had been circulated to members in late August 2009. An updated information booklet on the projects had also been sent to members with the notes for members' reference.

### ***LVAC Paper No. 10/2009 – “Amendments to Rules associated with Local Certificate of Competency”***

6. The Chairman informed members that the amendments were expected to be gazetted and become effective soon.

### ***LVAC Paper No. 11/2009 – “Assessment of Typhoon Shelter Space Requirements (Submission of Draft Report)”***

7. The Chairman said that the draft report had been submitted to the policy bureau for their consideration.

***LVAC Paper No. 7/2009 – “Proposal to Enhance Enforcement against Smuggling Activities at Sea”***

8. The Chairman informed members that the proposed amendments to the Import and Export Ordinance (Cap. 60) had the support of the Panel on Security of the Legislative Council in late June 2009, and the Security Bureau was planning to submit the amendment bill to the Legislative Council soon.

*[Post-meeting note: The amendment bill would be submitted to the Legislative Council in mid December 2009.]*

***Marine Department’s Electronic Business System (eBS)***

9. The Chairman asked members if they had any views on the proposal to expand MD’s eBS to handle applications and renewals of local vessel licenses. Members had no comments on the proposal. The Chairman said that improvements and enhancements to the eBS was an on-going process, and any comments on the eBS might be submitted to MD at any time.

**IV. Presentation of Papers**

***LVAC Paper No. 13/2009 – “Amendments to the Requirements for the Authorization of Approved Persons issuing Gas Free Certificates”***

10. Mr. BUT Siu-wai presented the paper and described the proposed amendments to members in detail. Members were invited to give their views and comments on the proposed amendments.
11. Dr. David HO asked who would be certifying a candidate’s gas-free assignments and if there would be any standard forms for recording the requisite training. Mr. BUT replied that the candidate would be supervised and certified by an Approved Person when carrying out these assignments. After completing the required assignments, the candidate would have to pass an interview by MD before being approved as an Approved Person. He also said that there would be suggested contents for the training records but there were no standard forms. Members had no further comments. The Chairman concluded that the paper was endorsed unanimously.

*LVAC Paper No. 14/2009 – “Review of Air Quality Objectives”*

12. Mr. MOK Wai-chuen presented the paper to members in detail. He said that the consultants had proposed to implement a total of 36 emission control measures by three phases. Phase I would cover 19 measures grouped into four main areas, namely emission capping and control, transport management, infrastructure development and planning, and energy efficiency measures. He presented the cost-and-benefit analysis provided by the consultants to members, and invited them to comment on the proposal, and to provide views particularly on those measures relevant to local vessels.
13. The Chairman asked Mr. MOK to elaborate on the effect of the emission control measures on the local vessels industry. Mr. MOK said that the proposed adoption of ultra low sulphur diesel and selective catalytic reduction devices for local vessels were expected to be most relevant to the local vessel operators. He explained that the kind of diesel currently used by most local vessels had a much higher content of sulphur than ultra low sulphur diesel. Switching to ultra low sulphur diesel would reduce significantly the sulphur dioxide emissions of local vessels and would also pave way for the retrofit of selective catalytic reduction devices to reduce their nitrogen oxide emissions. Both air pollutants were a major cause of air pollution in this region.
14. Mr. WONG Miu-sang said that the cost of ultra low sulphur diesel was too high and that the selective catalytic reduction could not be installed to many existing engines. He asked if the specifications of the catalytic reduction would meet the International Maritime Organisation (IMO)’s requirements and when the results of the trial on ultra low sulphur diesel currently being carried out by some ferry operators could be announced. Mr. MOK replied that EPD would be glad to report the findings of the trial of ultra low sulphur diesel on local ferries to members as soon as they were available. Regarding selective catalytic reduction devices, he explained that the proposal was to retrofit them in in-use local vessels to further reduce their nitrogen oxide emissions, and the availability of space and reasonably high exhaust temperature were pre-requisites for the retrofit to take place. He also said that the industry would be fully consulted on the selective catalytic reduction initiative before implementation. Regarding the emission standard for new vessels, he informed members of his understanding that the Government would continue to follow IMO’s requirements.

15. Dr. David HO said that he supported implementation by phases as that would help reduce the burden of the operators. He asked if the government could use the savings arising from the estimated benefits to subsidize the costs of the replacement of engines, similar to the subsidies for motor vehicles. Mr. MOK noted the view and said that during the consultation, he had also heard views that the user-pay-principle should be followed. In any case, the Government would consider carefully all the views gathered in the consultation before deciding on how best to take forward the AQO review recommendations.
  
16. Mr. WONG Miu-sang asked if the Air Quality Objectives would be changed after the United Nations' conference on environmental protection had been held in Copenhagen in December 2009. Mr. MOK replied that the Copenhagen conference would be chiefly concerned about Greenhouse Gas (GHG) emission and its effect on the global climate, and that the proposed control measures mainly focused on air quality though energy efficiency-related measures and the proposal to increase the use of natural gas for local electricity generation could also help reduce GHG emission. He said that the EPD was carrying out a consultancy study on GHG emission which would be expected to be completed next year.
  
17. Mr. Chris WONG said that he was surprised to hear that only the residual value of an engine was taken into account when the costs were assessed. He also said that in a Legislative Council paper published in July 2009, it had mentioned that two factors, namely replacement of greener engines for buses and adoption of ultra low sulphur diesel by local ferries, were most important in improving the air quality of Hong Kong. He opined that this would give the wrong impression to the public that Hong Kong's air quality could be improved simply by using green engines and ultra low sulphur diesel. He pointed out that a vessel's engine with proper maintenance would normally last for a very long time, and the use of ultra low sulphur diesel would increase the operating costs which the operators could hardly afford under the current economy. He suggested that government departments should coordinate with each other to come up with feasible measures and to help the operators reduce their operating costs. Mr. MOK said that the objective of the trial of ultra low sulphur diesel by the ferry operators was to ascertain its technical feasibility and to collect relevant data before deciding on the way forward.

18. Mr. KWOK Tak-kee said that the trial covered only ferries and the effect of ultra low sulphur diesel on other types of vessels should also be assessed. Mr. MOK replied that the operators of all other types of vessels would be fully consulted before the control measures were implemented on them.
19. Capt. WU Ka-shun said that the ferries were equipped with relatively less powerful engines. The effect of ultra low sulphur on vessels with more powerful engines, such as tugs, was not known. Mr. MOK said that relevant data for more powerful engines would be collected for assessment before the control measures were implemented. Capt. WU asked when the trial would be completed. Mr. MOK replied that the trial was expected to be completed by the end of May 2010 and the data collected would be analysed as soon as possible.
20. Mr. SO Ping-chi said that as the control measures would also affect the river trade vessels in the mainland, co-operation and support from the relevant authorities in the mainland would be very important. Mr. MOK noted the advice and said that EPD had sounded out its counterparts on the Mainland about these measures.
21. The Chairman reminded members that they might submit their views and comments to EPD until the public consultation finished at the end of November 2009.

## **V. Any Other Business**

### *Matters arising from Sub-committee meetings*

22. Mr. SO Ping-chi reported that a Working Group under the Sub-committee on Survey Works of Local Vessels had been set up recently to review the frequency of ship surveys.

### *Marine Department Notice No. 139 of 2009 – “Requirement to Produce Local Certificates of Competency”*

23. The Chairman informed members that the Marine Department Notice No. 139 of 2009 on requirement to produce local certificates of competency had been issued on 15.10.2009. He reminded members that the former provision

allowing holders of local certificate of competency for pleasure vessels to tender their certificates for inspection within 72 hours, should they fail to produce their certificates when initially requested, had been repealed.

24. Ms. CHING Ngon-lai opined that the old certificates were large and easy to be damaged. Dr. David HO asked if the certificates could be replaced free of charge, similar to the replacement scheme of the Hong Kong Identity Cards (HKIDs). The Chairman replied that unlike the HKIDs, the old certificates were still valid and replacement of the certificates was not compulsory.
25. Mr. LO Ngok-yang asked if the certificates could be replaced at any time and what the punishment would be if the holders failed to produce the certificates when requested. The Chairman confirmed that the holders might replace the certificates at any time or keep the old ones if they did not wish to replace them. Mr. TSUI Wai-hung said that the maximum fine for the offense was \$5,000, but the fine would normally be a few hundred dollars for the first-time offenders and could be expected to increase for repeated offenders. In response to Mr. LEE Shing-hing, the Chairman confirmed that the clause on the old certificates that allowed 72 hours to tender the certificates were no longer valid.
26. Ms. CHING Ngon-lai said that it would be more convenient to the holders if different certificates might be combined into one card. She asked if holders could keep the old certificates when the certificates were replaced. The Chairman said that the proposal to combine different certificates into one card might be considered in the long term. The Secretary undertook to find out the cost of the replacement of the certificates and whether the holders might retain the old certificates when they were replaced.

*[Post-meeting note: As advised by the Seafarers' Certification Section of MD, the cost of replacement of the certificate was \$220, and the old certificates might be returned to the holder after cancellation upon the holder's request.]*

## **VI. Date of Next Meeting**

27. There being no other business, the meeting ended at 12:00 p.m. The date of next meeting would be announced in due course.