

LOCAL VESSELS ADVISORY COMMITTEE

Survey Fee Subsidy for Local Commercial Vessels and Non-Accountable Subsidy for Local Commercial Mechanised Vessels

Purpose

Members are invited to note this paper which sets out information about the Government's provision of survey fee subsidy for local commercial vessels and non-accountable subsidy for local commercial mechanised vessels.

Background

2. The Finance Committee of the Legislative Council approved the establishment of the "Anti-epidemic Fund" ("the Fund") on 21 February 2020 to provide assistance or relief to enterprises hard hit by the present epidemic or affected by anti-epidemic measures, including a one-off survey fee subsidy for local commercial vessels and a one-off non-accountable subsidy for local commercial mechanised vessels from the Marine Department ("MD"). Details are set out below.

Details of the Survey Fee Subsidy

3. Except the vessels covered by the Transport Department's supporting measures, **all local commercial vessels** meeting the following eligibility criteria, including Class I, II and III vessels as well as Class IV vessels let for hire or reward, may be granted a one-off survey fee subsidy:

- (i) A vessel which held a valid certificate of survey or certificate of inspection and a valid operating licence¹ on 21 February 2020; or
- (ii) A vessel which, failing to comply with the requirements under item 3(i), but held a valid certificate of survey or certificate of inspection and operating licence¹ between 1 June 2019 and 20 February 2020, with its certificate of survey or certificate of inspection and operating

¹ Except for a temporary licence.

licence successfully renewed on or before 20 August 2020; or

- (iii) A vessel of which the shipowner had already submitted to MD all documents required for the application for an operating licence before 21 February 2020, but was not issued with a valid operating licence on 21 February 2020 as MD was reviewing the application.

4. An eligible vessel, whether surveyed by MD or a competent surveyor², may be granted a subsidy of which the amount will be equivalent to the survey fee stipulated under section 12 of the Merchant Shipping (Local Vessels) (Fees) Regulation (Cap. 548J). Details are set out in the **Annex**.

Details of the Non-Accountable Subsidy

5. Except the vessels covered by the Transport Department's supporting measures, **all local commercial mechanised vessels**³ meeting the following eligibility criteria, including commercial mechanised vessels of Class I, II and III as well as Class IV let for hire or reward, may be granted a one-off non-accountable subsidy of \$10,000:

- (i) A vessel which held a valid operating licence¹ on 21 February 2020 (a Class IV vessel let for hire or reward is required to hold a valid certificate of survey or certificate of inspection as well on the day); or
- (ii) A vessel which, failing to comply with the requirements under item 5(i), but held a valid operating licence¹ between 1 June 2019 and 20 February 2020 (a Class IV vessel let for hire or reward is required to hold a valid certificate of survey or certificate of inspection as well during the period), and has its operating licence successfully renewed on or before 20 August 2020 (a Class IV vessel let for hire or reward is also required to hold a certificate of survey or certificate of inspection or have such certificates successfully renewed during the period); or

² Pursuant to the definition under section 2 of the Merchant Shipping (Local Vessels) (Safety and Survey) Regulation (Cap. 548G), "competent surveyor" means an authorized surveyor (including an authorized organization) and a recognized authority.

³ "Mechanised vessel" refers to a vessel installed with propulsion engine as indicated on the operating licence.

- (iii) A vessel of which the shipowner had already submitted to MD all documents required before 21 February 2020 for the application for an operating licence, but was not issued with a valid operating licence on 21 February 2020 as MD was reviewing the application.

Form of Subsidy Provision

6. MD is calculating the amount of subsidy to be granted to each eligible vessel. If necessary, individual shipowners will be contacted in accordance with their circumstances and be asked to provide further information to verify their vessel's eligibility for the subsidies concerned.

7. **Shipowners are not required to submit applications** for survey fee subsidy and/or non-accountable subsidy. It is expected that MD will notify eligible shipowners of the amount of subsidy to be granted in writing in mid-March 2020, and will request verification of information from them at the same time including the name and address of the payee (including the shipowner or his/her authorized person). If a shipowner is eligible for both survey fee subsidy and non-accountable subsidy, he/she will be notified in the same letter. Upon receipt of confirmation of the payees' particulars from the shipowners concerned, MD will grant each eligible shipowner (or the shipowner's authorized representative) the survey fee subsidy and/or non-accountable subsidy **in the form of a crossed cheque by post.**

8. As to the eligibility of local vessels for the subsidies concerned and the amount of survey fee subsidy to be granted, MD's decision shall be final.

Marine Department
February 2020

Table of Survey Fee Subsidy

Class of vessel	Type of vessel	Amount of subsidy
Class I Vessel	1. Ferry vessel, launch or multi-purposes vessel – (a) where the specified number of passengers of the vessel is 13 or more but not more than 60 (b) where the specified number of passengers of the vessel is 61 or more but not more than 100 (c) where the specified number of passengers of the vessel is 101 or more but not more than 500 (d) where the specified number of passengers of the vessel is 501 or more	\$2,200 \$2,850 \$4,950 \$4,950 plus \$1,000 for each 100 passengers of the difference between the specified number of passengers of the vessel and 500 (rounded up to the next multiple of 100 if the difference is not a multiple of 100)
	2. Floating restaurant, or stationary vessel certificated as a Class I vessel	\$1,690 for each 100 passengers of the specified number of passengers of the vessel (rounded up to the next multiple of 100 if the specified number of passengers is not a multiple of 100)

Class of vessel	Type of vessel	Amount of subsidy
	3. Primitive vessel – (a) where the specified number of passengers of the vessel is 13 or more but not more than 30	\$800
	(b) where the specified number of passengers of the vessel is 31 or more but not more than 60 (c) where the specified number of passengers of the vessel is 61 or more	\$1,000 \$1,400
Class II Vessel	4. Class II vessel that is a Category A vessel (other than a floating dock, pilot boat, transportation boat or tug)	\$3,775
	5. Floating dock that is classed with a classification society	\$7,535
	6. Pilot boat, or transportation boat, that is a Category A vessel	\$2,200
	7. Tug	\$2,860
	8. Class II vessel that is a Category B vessel fitted with propulsion engine – (a) where the total engine power of the propulsion engine is not more than 15 BHP (b) where the total engine power of the propulsion engine is more than 15 BHP but not more than 30 BHP (c) where the total engine power of the propulsion engine is more than 30 BHP but not more than 50 BHP	\$565 \$780 \$1,045

Class of vessel	Type of vessel	Amount of subsidy
	<p>(d) where the total engine power of the propulsion engine is more than 50 BHP but not more than 80 BHP</p> <p>(e) where the total engine power of the propulsion engine is more than 80 BHP</p>	<p>\$1,335</p> <p>\$1,335 plus \$150 for each 40 BHP of the difference between the total engine power of the propulsion engine and 80 BHP (rounded up to the next multiple of 40 BHP if the difference is not a multiple of 40 BHP)</p>
	<p>9. Class II vessel that is a Category B vessel not fitted with propulsion engine</p>	<p>\$1,145</p>
	<p>10. Class II vessel that is a Category B vessel not fitted with propulsion engine but is fitted with auxiliary machinery</p>	<p>\$1,145 plus \$1,145 for each auxiliary machinery so fitted</p>
<p>Class III Vessel</p>	<p>11. Class III vessel that is a Category A vessel</p>	<p>\$3,775</p>
	<p>12. Class III vessel that is a Category B vessel fitted with propulsion engine –</p> <p>(a) where the total engine power of the propulsion engine is not more than 15 BHP</p> <p>(b) where the total engine power of the propulsion engine is more than 15 BHP but not more than 30 BHP</p>	<p>\$565</p> <p>\$780</p>

Class of vessel	Type of vessel	Amount of subsidy
	(c) where the total engine power of the propulsion engine is more than 30 BHP but not more than 50 BHP	\$1,045
	(d) where the total engine power of the propulsion engine is more than 50 BHP but not more than 80 BHP	\$1,335
	(e) where the total engine power of the propulsion engine is more than 80 BHP	\$1,335 plus \$150 for each 40 BHP of the difference between the total engine power of the propulsion engine and 80 BHP (rounded up to the next multiple of 40 BHP if the difference is not a multiple of 40 BHP)
Class IV Vessel	13. licensed to carry not more than 60 passengers but is let for hire or reward	\$2,200

【End】