

LOCAL VESSELS ADVISORY COMMITTEE

The Feasibility of a Marine Traffic Accident Victims Assistance Scheme

Purpose

The Marine Department (MD) commissioned a study on the feasibility of introducing a Marine Traffic Accident Victims Assistance (M-TAVA) Scheme. This paper briefs members on the findings of the study.

Background

2. At present, there is no public emergency financial assistance scheme dedicated to marine traffic accident victims in Hong Kong. During the adjournment debate of the Legislative Council on 18 October 2012, the Secretary for Transport and Housing remarked that the Government would consider whether to introduce a M-TAVA Scheme by modelling on the existing Traffic Accident Victims Assistance Scheme for road traffic.

Study Findings

3. MD commissioned a consultancy to study the feasibility of introducing a M-TAVA Scheme by modelling on the Traffic Accident Victims Assistance Scheme for road traffic. The consultant considered that a M-TAVA scheme is financially volatile and cost inefficient because the number of vessels in Hong Kong is relatively small when compared with that of vehicles in road traffic and marine traffic accidents are by nature low in frequency but highly uncertain in severity. The M-TAVA Scheme would have unpredictable financial implications for the trade and the Government. In addition, the definition of “marine traffic accident” is also more complicated than that of road traffic accident and there is no assistance scheme of a similar nature in major ports around the world. The consultant recommends against introducing a M-TAVA Scheme.

4. MD has considered widening the scope of existing public financial assistance schemes to cover victims of marine traffic accidents. Yet, it still would not satisfactorily address the issues arising from the peculiar nature of marine traffic and marine traffic accidents as highlighted in paragraph 3 above.

Recommendation

5. Although currently there does not exist a dedicated public emergency financial assistance scheme for victims of marine traffic accidents, there are sufficient and effective alternative sources of emergency financial assistance to victims of marine traffic accidents (e.g. public financial assistance schemes, Government-administered charitable trust funds, private charitable trusts/funds, etc). In view of the findings of the feasibility study, MD preliminarily accepts the recommendation made by the consultant that the introduction of a M-TAVA Scheme is not advised.

Consultation

6. The above recommendation has been circulated to members of the Third Party Risks Insurance Working Group under the Local Vessels Advisory Committee on 14 April 2015 for consultation, and was unanimously endorsed.

Advice sought

7. Members are invited to give their views on this paper and endorse the recommendation in paragraph 5 above.

Marine Department

May 2015