

LOCAL VESSELS ADVISORY COMMITTEE

Reduction in Port Fees

Purpose

This paper seeks members' endorsement on the proposed reduction in the following fees and charges:

- (i) port clearance permit fee for a high speed passenger craft plying exclusively within the river trade limits / an ocean going vessel;
- (ii) arrival clearance fee for a vessel plying within the river trade limits; and
- (iii) port clearance fee for a vessel plying within the river trade limits.

Background

2. High speed passenger craft plying exclusively within the river trade limits and ocean going vessels are required to pay the port fees prescribed in the Thirteenth Schedule to the Shipping and Port Control Regulations (Cap. 313A) whereas vessels plying within the river trade limits are charged the fees prescribed in the Second Schedule to the Merchant Shipping (Local Vessels) (Fees) Regulation (Cap. 548J).

3. It is Government's policy that fees and charges are in general set at a level sufficient to recover the full cost for providing the services. The Marine Department reviews the marine-related fees and charges from time to time and has implemented a number of fee reductions in the recent years as one of the measures to enhance the competitiveness of Hong Kong port and the maritime industry. The latest review indicated there is room to reduce certain port fees.

Proposal

Fee Reductions

4. It is proposed to reduce the fees currently charged on ocean going vessels and vessels plying within the river trade limits as follows:

- (A) Thirteenth Schedule to the Shipping and Port Control Regulations (Cap. 313A):
- Item 6(f) - Miscellaneous permits and certificates- The fee for a port clearance permit is reduced from “\$97” to “\$58” (i.e. – 40%).
- (B) Second Schedule to the Merchant Shipping (Local Vessels) (Fees) Regulation (Cap. 548J):
- (i) Item 1 - An application under section 4 of the General Regulation for an arrival clearance in respect of a local vessel is to be reduced from “\$97” to “\$58” (i.e. – 40%); and
- (ii) Item 2 - An application under section 6 of the General Regulation for a port clearance in respect of a local vessel is to be reduced from “\$97” to “\$58” (i.e. – 40%).

Multiple Entry Permit

5. Multiple Entry Permit (MEP) was introduced on 2 January 2007 upon the implementation of the Merchant Shipping (Local Vessels) Ordinance, which allows a vessel plying within the river trade limits to pay the cost of five single entry permits for 10 visits within a period of one month provided that the vessel:

- (i) stays for a maximum of two days per visit; and
- (ii) calls at an interval of at least 24 hours between each visit.

6. With a view to attracting more river trade cargoes to Hong Kong port and improve the turnaround time of vessels, it is also proposed to remove the requirement of ‘at an interval of at least 24 hours between each visit’ in paragraph 5(ii) above.

Recommendation

7. The proposal in paragraphs 4 and 6 above is recommended for members’ endorsement.

Presentation

8. Mr KC Chan, Senior Marine Officer/Legislation and Prosecution of the Marine Department will present the paper.