PILOTAGE ADVISORY COMMITTEE

Adjustment to Pilotage Dues

Purpose

The purpose of this paper is to seek members' endorsement on the proposed adjustment to pilotage dues.

Background

2. The Hong Kong Pilots Association Ltd. (HKPA) have consulted the industry and met with the representatives of the Hong Kong Liner Shipping Association and the Hong Kong General Chamber of Commerce Shipping Committee. The proposed adjustment to the current pilotage dues adopted since 18th November 2005 has been agreed. Details of the adjustment are stated in the attached self-explanatory letter dated 2nd January 2008 from the HKPA at <u>Annex I</u>.

Advice Sought

3. The proposed adjustment is circulated for endorsement or comments of members of the Pilotage Advisory Committee at the next PAC meeting. Subject to members' approval, the Marine Department will follow up on the necessary legislative amendments to the Pilotage (Dues) Order.

Marine Department 2 January 2008



4

香港領港會有限公司 HONG KONG PILOTS ASSOCIATION LTD.

Your Ref :.....

Our Ref CWC003/2008

2nd January 2008

The Chairman Pilotage Advisory Committee C/O Marine Department 21/Floor, Harbour Building 38 Pier Road, Hong Kong, SAR

Dear Sir,

Adjustment to Pilotage Dues

In view of the escalating fuel prices and ballooning operation cost, Hong Kong Pilots Association Limited (HKPA) have no alternative but to adjust the pilotage dues.

Over the last few months, HKPA have consulted the Industry, met representatives of Hong Kong Liner Shipping Association and Hong Kong General Chamber of Commerce Shipping Committee. Eventually, the following proposal is agreed, subject to PAC's endorsement:

- (a) For every ship piloted, the basic pilotage due is adjusted from \$3,650 to \$4,100;
- (b) For ships having a gross registered tonnage (GRT) exceeding 60,000 tons, 6 cents per ton of the ship's GRT or \$3,750, whichever is the greater. However, notwithstanding the size of the ship, the evaluation of this additional charge shall be capped at GRT 120,000 tons; and
- (c) The other parts of the schedule in CAP 84D PILOTAGE (DUES) ORDER remain unchanged.

The above-mentioned adjustment will be raised in the forth-coming PAC meeting.

Yours faithfully,

COL

Capt. C.W. Chan Chairman

c.c. Hong Kong Liner Shipping Association

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