

Minutes of the 3rd Port Area Security Advisory Committee
Meeting held at 1000 hours on 19 December 2003

Present:

Mr. Roger Tupper	Chairman
Mr. H P Liu	Vice Chairman
Mr. Eddy Ma	Container Terminal Operators
Mr. S P Wong	River Trade Terminal Co. Ltd.
Mr. H.C. Chui (on behalf of Mr. Alex Choi)	Oil Industry – OIRC members
Mr. Roger Yeo (on behalf of Mr. Anthony Tam)	Oil Industry – Non OIRC members
Mr. David Yip	Passenger Terminal – Ocean Terminal
Mr. Phileas Fong	Hong Kong United Dockyard Ltd.
Mr. K T Ip	Yiu Lian Dockyard
Mr. Neil M D Russell	Hong Kong Liner Shipping Association
Mr. Paul Ho (on behalf of Mr. Henry Lee)	HKCTO Association
Mr. T C Sin	Marine Department
Mr. K L Lee	Marine Department
Mr. K M Fung	Marine Department
Mr. Peter K Y Wong	Marine Department
Mr. C J Wilson	Hong Kong Police
Mr. Jacky Ling (on behalf of Mr. Watson)	Hong Kong Police
Mr. K K Lau	Secretary

Absent with apology:

Mr. Edmund Lau	Bulk Industry
----------------	---------------

In attendance:

Mr. K W Kwan	Ocean Terminal
--------------	----------------

1. Open of Meeting

1.1 The Chairman welcomed all participants to the third meeting of the Port Area Security Advisory Committee (PASAC), specifically to Mr. Paul Ho, Mr. Roger Yeo, Mr. H.C. Chui and Mr. Jacky Ling who attended the meeting for the first time.

2 **Confirmation of the Minutes of Last Meeting**

2.1 Mr. H. C. Chui put forth a minor amendment on the basis of the charging rates (paragraph 2.23.3 of the minute refers). The Chairman briefed members on Government's policy on the intended charging rates for approving security plans. Government would make a full cost recovery on the services provided and the rate would be based on man-days spent. The number of man-days required varied according to the complexity of the facility and of the plan concerned. In general, the fees would be levied in three levels: complex facility, moderate-sized facility and simple facility. The Chairman assured members that the charging mechanism would be incorporated into the legislation and would be made transparent to them. He further said that the estimated rates are based on present observations and was applicable to future approval of new plans and modification/renewal of existing plans.

2.2 The minutes were confirmed without other amendment.

3 **Items Discussed**

Declaration of Conflict of Interest

3.1 The Chairman drew the attention of members on the need to declare any conflict of interest. The Chairman advised should members considered they might be prejudice or having conflict of interest in any matter discussed in the meeting, a declaration should be made. The Chairman asked if members need further clarification on the details. No further clarification was requested.

PASAC Paper No. 03/03

3.2 The Chairman invited Mr. Peter Wong to report to the committee the progress of implementing the ISPS Code. Mr. Wong reported: -

3.2.1 The third draft of the drafting instruction for the local legislation for implementation of the Code had been sent to the Department of Justice a few days ago and it was expected that the legislation would be passed before July 2004.

- 3.2.2 All port facility security assessments had been endorsed.
- 3.2.3 Members of the PFSWG had visited all facilities. Issues identified had been brought to the attention of the related facility operators for them to be addressed in their security plans.
- 3.2.4 The Chairman supplemented that individual port facility that had questions on the suggestions proposed by the working group on their assessment should contact the Chairman of the Working Group for further discussion. They were encouraged to discuss with the Working Group if they had any questions in drawing up their security plan.
- 3.2.5 Regarding the drawing up of port facility security plan, the Chairman said that all operators should follow the template as much as possible. The content of the template covers extensively all the items mentioned in the Code itself based on both the mandatory Part-A and advisory Part-B.
- 3.2.6 The Chairman further said that in most of the recent IMO meetings there were discussions on the Code. Although there were a lot of debates on its content, there was no shift in view point on the Code. And the Code had to be implemented on 1st July 2004.
- 3.2.7 Mr. K. L. LEE said that the implementation date was a deadline and it was unlikely that the date would be extended. The Chairman supplemented that IMO had made it clear that anybody who thought there would be a deferment of the implementation date would be disappointed. He believed that a tremendous number of vessels would need to be certificated between now and July. And everybody was working hard to keep the deadline.
- 3.2.8 Mr. S. P. Wong, on behalf of the River Trade Terminal and its sister terminals, took the opportunity to thank Mr. Fung and his team for holding meeting with them to explain in detail on how to develop the security plans.

Threat Level

- 3.2.9 Mr. Wilson of the Police said that there were problems in the mechanism for transmitting the threat assessment. The major problem was how to match ISPS Security Levels to the threat levels used by the Police. Police carried out threat assessment in terms of terrorism on 3 levels – High,

Medium and Low whilst each level was further sub-divided into 2 states of readiness. Each state would mean deploying different amount of resources both for the Government and the private sector. The other problem was the sustainability of the threat. Even at the highest level, the threat could be either a general threat or a specific one. The responses from Police would be completely different. The question was for how long the industry and Government, especially the anti-terrorism police unit, could keep on deploying resources to tackle a prolonged threat period. They worried if there was any misinterpretation of the threat alert, the cost on the facility operators could be enormous.

3.2.10 Members opined that the issue of how to harmonise the ISPS Security Levels with the internal regime being used by the Police could be dealt with internally among Government departments. The industry was more concerned with what to do at L-2 or L-3 and what kind of government support would be given to their response actions. The Chairman concurred that there was a need to have a small session with the Police to exchange information on the setting of security threat levels and its implications so that the Police could work out the framework and mechanism. The PFSWG was tasked to arrange for it. (Post meeting note: - an ad hoc meeting for this issue was conducted on 13th February 2004 at MD's Office. The working group was following up the case)

PASC Paper No. 04/03

3.3 The Chairman invited Mr. K. L. Lee to report the implementation of the ISPS Code on Hong Kong Registered Ships. Mr. Lee reported: -

3.3.1 MD had provisionally authorized 8 Classification Societies as Recognized Security Organization (RSO) to vet Ship Security Assessment, approve Ship Security Plans (SSP), conduct shipboard verification and issue International Ship Security Certificate (ISSC) to Hong Kong registered ships on behalf of the HKSARG. MD would maintain a monitoring role on the performance of the RSOs.

3.3.2 13 MD surveyors had attended internal training courses conducted by classification societies for their own surveyors.

ISPS Compliance

3.3.3 In response to a question, the Chairman said that irrespective of the security level, it would not be a requirement for ships to disclose their security plans. It was a confidential document. However, under special circumstances, a country could ask the flag state of a ship to provide that.

When a ship entered into HK, MD could and would ask the master for documentary evidence of the existence of a plan, as part of the port state control measures.

3.3.4 In response to a question if a vessel could be considered as an ISPS compliant vessel after clearing port formalities and allowed to get a berth. The Chairman replied that normally one could expect that but since the system had not been implemented and it was not sure what the situation would be in the first few months. However, if the system was running smoothly, it would be reasonable to expect those ships should have the certificates. The Chairman said that one should not rely on the designated authority as a safeguard to ensure compliance or assuming that once a ship entered a port it must have complied with the Code. Neither was it true that a non-ISPS compliant ship would be turned away. Therefore, the operators should always have appropriate procedures under their security plans about how to interface with non-compliant vessels.

3.3.5 In response to a question as to whether facility operators should direct their enquiries regarding the security status of vessels scheduled to berth at their terminals, to the agents or to the Marine Department, the Chairman encouraged operators to consult either or both parties and that it should be asked before berthing of the vessels. It should be the facility security officers' responsibility to ascertain with the company security officers to ensure the vessels were ISPS compliant. The Chairman further pointed out that as a terminal operator, one has the right to ask whether the ship was in compliance with the Code because this influenced their operations. Hence, even it was not a requirement under the Code, the Department strongly advised the operators to do so and recommended that a checklist system be developed.

3.3.6 The Chairman stated the ISPS Code gave authorities to the right to deny entry to ships that posed a security threat. MD would take advice from the security services before denial of entry. If a ship was in technical breach of the Code, for instance not having a valid Ship Certificate, MD would follow the guidelines on port state control provided by IMO regarding detention of ships.

3.3.7 The Chairman reminded port facility operators of the need to consider various responses to different situations of in-coming ships, which might a) be under different security levels; b) be without security certificates, c) be registered under some non-contracting Governments and had certificates issued not according to ISPS standard, and e) in some situations, be rejected by a port facility or vice versa. Under the Code, both ships and port facilities should have measures to deal with these situations. If these measures had not been met, then a declaration of security had to be signed.

3.3.8 The Chairman continued and said that a Designated Authority would when assessing a security plan; expect a part in the plan to cover, but not limited to, the above-mentioned situations. Being on the first line to protect the port, the Designated Authority might require in-coming vessels to provide security information before arrival.

PASAC paper 5/03

3.4 The Chairman invited Mr. Peter Wong to brief the Committee on the public relation (PR) strategy developed by Marine Department for the implementation of the ISPS Code in Hong Kong. Mr. Wong said: -

3.4.1 The purpose of the PR strategy was i) to solicit necessary support from various sectors of the shipping community and the public at large, ii) to keep a close liaison with the media to engender good press coverage and iii) to enhance Hong Kong's positive public image as a safe and secure international hub port.

3.4.2 The PR strategy had four major strands in terms of its campaign activities, namely: -

3.4.2.1 LegCo's Economic Services Panel (ES Panel) – for their support to the introduction of the new maritime security legislation.

3.4.2.2 Stakeholders – to brief the shipping lines, agents, local vessel operators and shippers etc on the implementation as well as the operational details during the process of implementation. And to provide regular updates to all major consultative committees under the Marine Department's purview.

3.4.2.3 Press Media – both the international and local press could help to generate positive publicity and promote an awareness of the importance of port security as the ISPS Code was pushed forward.

3.4.2.4 International Forums – by participating in various international forums and conferences, we could benefit from not only fostering our cooperative relationships with other ports but also promote a cross fertilization of knowledge and experiences associated with the implementation of the Code.

3.4.3 In order to provide more information to the facility operators, MD would prepare a list of those international forums to be held in Hong Kong for those who handle ISPS matters to attend at their own interest.

3.4.4 The Chairman explained to the Committee the reasons why there was almost no ISPS news appearing in local press so far. He said it was MD's intention not to put the ISPS information out prematurely to the local press because we did not want the members to be disturbed by the press. Secondly, the ISPS arrangements were confidential and therefore needed to be handled carefully. At the appropriate time, MD would provide the local media the necessary information so as to generate positive publicity such that the public would be aware of the importance of port security.

3.4.5 In response to a suggestion to hold a session/briefing to answer the industry's queries, such as on the interfacing issues between local and ocean going vessels etc, the Chairman accepted the suggestion. He said that it could be held in May/June so that information/ideas could be exchanged before the actual implementation.

3.4.6 The Chairman said that MD and the Security Bureau were working to produce as many scenarios as possible regarding the general procedure and expectations. The details of these would be conveyed to members as soon as they were available.

4 Any Other Business

4.1 No other business was raised.

5 Date of Next Meeting

The Chairman suggested to hold the next meeting around April 2004. Members will be advised of the date of the next meeting.

6 Close of Meeting

The meeting was adjourned at 1150 hours.

Confirmed this day of 2004

Chairman

Secretary