

PROVISIONAL LOCAL VESSEL ADVISORY COMMITTEE

Minutes of the 32nd Committee Meeting

Date : 29 August 2003 (Friday)
Place : Conference Room 1405-06, 14/F, Harbour Building
Time : 9:30 a.m.

Present

Chairman:	Mr. LEE Ka-mo	Deputy Director of Marine (Ag), Marine Department
Member:	Mr. SHUEN Wai	Representing Cargo Vessels' Operators
	Mr. HO Chi-shing	Representing Ferry Vessels' Operators
	Mr. KEUNG Yin-man, MBE	Representing Fishing Industry
	Mr. CHOI Kim-lui, JP	Representing Launch & Excursion Vessels' Operators
	Ms. Una CHAN	Representing Marine Insurance Industry
	Dr. Alan LAU Kwok-lam	Representing Pleasure Boating Operators
	Mr. HE Wei-ping	Representing River Trade Cargo Operators
	Mr. Tony YEUNG Pui-keung	Representing Seafarers Training Institutes
	Mr. Vitus SZETO Kin	Representing Ship Building & Repairing Industry
	Mr. LING Wai-po	Hong Kong Police Force
	Mr. NG Kin-man	GM/Ops, Marine Department
	Mr. Michael LEE	GM/LVS, Marine Department
Secretary:	Ms. Shirley HO	ADS/C&G, Marine Department

In Attendance

Mr. LEUNG Wai-ying	HK Fishermen's Association
Mr. KWOK Kam-tung	HK & Kowloon Motor Boats & Tug Boats Association
Capt. WU Ka-shun	HK Shipping Staff Association
Mr. HO Kwun-yin	Local Seafarers' Associations
Mr. CHEUNG Yau-kwong	Marine Excursion Association Ltd

Absent with Apologies

Mr. Martin CHU	Representing Ship Survey Industry
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Presentation of Papers

No. 1/2003	Mr. CHAN Yau-ning	SMO/LP, Marine Department
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No. 2/2003	Mr. CHAN Ming-kwong Mr. W. S. CHAN Mr. Terence FONG	SMO/P&D(1), Marine Department Engineer, CLP Power ERM
No. 3/2003	Mr. CHAN Ming-kwong	SMO/P&D(1), Marine Department
No. 4/2003	Mr. CHAN Ming-kwong Mr. Raymond WONG Ms. Erica WONG	SMO/P&D(1), Marine Department CTP, Planning Department STP, Planning Department
No. 5/2003	Mr. CHUN Ping-fai	AD/MP, Marine Department
No. 6/2003	Mr. BUTT Lee-yuen	SMO/VTC, Marine Department

I. Opening Remarks

1. The Chairman welcomed all to the meeting and informed members that Mr. Robin Pickup had tendered his resignation from PLVAC and Mr. Martin CHU, who had sent apologies for absence for this meeting, was appointed to replace him as a PLVAC member representing Ship Survey Industry w.e.f. 9 April 2003.

II. Confirmation of Minutes of Last Meeting

2. No further comments were received from members and the minutes of the 30th and 31st meetings were confirmed.

III. Matters Arising From Minutes of Last Meeting

Paper No. 7/2002 - “Code of Practice(“Code”) – Safety Standard for Class I, II and III Vessels” (para. 19-25, p.8-11, minutes of the 30th meeting)

3. Mr. Michael LEE reported progress and findings for the questions and suggestions made in the following paragraphs of the minutes of the 30th meeting-
 - (a) Para. 20(f)
The proposed change of wording from “adequate” to “common” was accepted by members of the Technical Sub-Committee and the Code in paragraph 3.3, page X-2 was amended accordingly.
 - (b) Para. 21
Mr. Michael LEE replied as follows and Mr. CHOI Kim-lui was satisfied and raised no other comments.
 - (i) Currently, the number of local vessels with 3,000kW (above 4,000HP) engine

power or over was only in small number, there was no plan to raise to higher power limit. For individual vessel with over 3,000kW, owner might apply to Examination Section for consideration, on individual need basis with details of justification, for certificate endorsement.

- (ii) Entry requirements for a Grade II Engine Operator included possession of a Grade III Engine Operator licence and minimum one-year working experience on local vessels other than pleasure vessels.

(c) Para. 22

In response to Mr. Vitus SZETO and Dr. CHENG Jui-shan, Mr. Michael LEE clarified that-

- (i) Section 9 of the Local Vessels Ordinance had defined the meaning and legal status for Code of Practice. Marine Department (MD) had also sought advice from Department of Justice (DoJ) on the issue and got that, despite the intention of the Code was made in accordance with requirements of the Ordinance and Regulations, the requirements in the Code would not be mandatory. In a way, the Director of Marine was given certain degree of flexibility in accepting reasonable alternatives or equivalents for the specified requirements. In practice, for the issue of safety certificates, owners were expected to fully comply with the technical requirements of the Code as far as practicable.
- (ii) To facilitate the industry a better understanding of the legal status of the Code, the original full text of “about the Code” as defined in the Ordinance has been inserted in the preface of Code document. Some requirements of the Ordinance and Regulations were quoted. Other necessary amendments as commented by the industry were included. These amendments were agreed by the Technical Sub-Committee and associations of the industry. For clarity sake, further effort would be spent to clarify remark and revise the content as required. The completed final version of the Code would be submitted to DoJ for vetting and advice.

(d) Para. 23

In response to Mr. CHOI Kim-lui’s request, Mr. Michael LEE replied as follows and no further comments were received at the meeting-

- (i) According to current legislation requirement, except certain vessels under exemption, the interval between survey cycles of any vessel should not exceed 12 months. Owners might have the final survey completed within one month

before expiry of the certificate in the current practice and within two months in future, after the enactment of the Local Vessels Ordinance. The new measure, which allowed two-month advance period for certification renewal survey, would provide the industry more flexibility. Under both the above circumstances, the validity date of the new survey certificate would be the current certificate expiry date (CED) plus 12 months (i.e. CED + 12 months).

- (ii) Regarding the final survey completed exceeding one or two months before expiry for the current and new practice respectively, the new certificate's validity date would be the final survey date(FSD) plus 12 months (i.e. FSD + 12 months). In fact, long advancement period for certification renewal survey was not encouraged given the uncertainties in assessing vessels' structural/machinery/system endurance.
- (iii) The method in defining the validity date for survey certificate was in line with SOLAS of IMO in survey certification practice and widely adopted in the marine industry. MD therefore considered that the adopted method was appropriate and should be remained.

Paper No. 8/2002 - "Proposal for the Appointment of Two Mainland Institutions as Authorized Surveyor" (para. 26-29, p.11-13, minutes of the 30th meeting)

- 4. Mr. Michael LEE told members that MD had submitted proposed 2nd draft authorization document on survey delegation of local vessels to the two mainland institutions and meanwhile to DoJ for advice. The document included the guidelines on the monitoring and audit of the quality of delegated works and surveyors' requirements, which would have addressed the concerns raised by members at last meeting. MD had met officials of the two institutions and exchanged views on the contents of the proposed details, delegated survey procedures and standards etc. Subject to their comments given after a detailed study of the document, it was expected that the guidelines and survey delegation arrangement for local vessels would be finalized and submitted to PLVAC for endorsement by end of the year.
- 5. Mr. Vitus SZETO expressed concern over the quality and professional standard of those two mainland institutions. The Chairman assured members that Director of Marine would be the one held responsible for the quality of the authorized surveyors and would closely monitor their performance and standard. Members were invited to have a thorough study and to give views when the guidelines and survey delegation arrangement were finalized.

Development of Legislation for Coastal Trade Vessels (para. 30, p.13, minutes of the 30th meeting)

6. Mr. Michael LEE said that the first outline draft of the technical requirements in “Code of Practice – Safety Standard for Coastal Trade Vessels (CTV)” had been accepted in principle by Beijing Maritime Safety Administration (MSA). MD was preparing the detailed Code in bilingual versions for further consultation through Technical Sub-Committee and then view exchanges with Beijing MSA when the Code was ready. Details on the “Crew Certification’, “Minimum Safe Manning“ and “Simplified Safety Management” requirements of CTV were also being worked out. Legislation preparation and processing would be followed afterwards, most probably in 2004/05.

Working Group on Study Registered Professional Engineer (Marine and Naval Architecture) (RPE(MNA)) as Authorized Surveyor (para. 31, p.14, minutes of the 30th meeting)

7. Mr. Michael LEE reported that the 8th draft of authorization and guideline documents on the survey delegation of local vessels to RPEs was issued to the Working Group members for further comment and was passed to DoJ for vetting and advice. Members would be further informed of the progress at the next meeting.

IV. Presentation of Papers

PLVAC Paper No. 1/2003 -"The proposed Merchant Shipping (Local Vessels) (Compulsory Third Party Risks Insurance) Regulation"

8. The Chairman introduced that the purpose of the paper was to report on the legislative progress of the compulsory third party risks insurance for local vessels and Mr. CHAN Yau-ning briefly presented the paper.
9. Upon enquiry from Mr. CHOI Kim-lui, Mr. CHAN Yau-ning confirmed that the minimum liability level of \$1 million was applicable to any vessels carrying not more than 12 passengers, even if it was a tugboat. The minimum liability level of \$5 million would be applicable to transportation sampans, e.g. M4 and M6, if and when carrying more than 12 passengers and operating out of the typhoon shelters. As for the definition of Kaitos, a vessel would be defined as Kaito if it possessed the Kaito license issued by the Transport Department and had registered as Kaito with the MD.
10. Mr. KEUNG Yin-man and Mr. CHEUNG Yau-kwong supported the proposal but Mr. HO Chi-shing expressed his reservation in agreeing to the proposed revision. He commented that the revised minimum liability levels were not set at a reasonably sufficient level and it was not fair to big established ferry vessels operators, who had mostly been engaged in a

higher level of minimum liability considering authentic needs and social responsibility.

11. Dr. Alan LAU also opined that the revised minimum liability levels were set on the low side and asked when it would be reviewed again. The Chairman explained that the revision was proposed because of the economic downturn and the MD had the responsibility to make the regulation realistic. The revised levels indicated the minimum liability levels only and vessels operators were always welcome to procure a higher protection plan if and when they wished and required. Different views from members were noted and MD would, upon suggestion by any persons from the PLVAC or the industry, review the regulation at an appropriate time, say 2 to 3 years after the regulation came into force.

PLVAC Paper No. 2/2003 - “Proposed 11 kV Overhead Line (OHL) across Sor See Mun between Town Island and High Island, Sai Kung”

12. Mr. W S CHAN of the CLP Power and Mr. Terence FONG of the ERM presented the paper and answered members' general questions about the proposal. Mr. W S CHAN confirmed that closure of Sor See Mun Channel would be required for only three to four hours in one day during construction or demolition.
13. Upon enquiry from Mr. HO Chi-shing, Mr. W S CHAN explained the design of the OHL cable circuit and, in case the OHL was damaged or broken apart, the reason why the parted cable would not drop vertically into the sea. Dr. Alan LAU told the meeting that the pleasure boating operators had no objection to the proposal.
14. The Chairman concluded that, upon completion of installation of the proposed OHL, MD would issue MD Notice announcing that the Sor See Mun Channel would not be accessible by ships of height over 30m. Members raised no other comments and endorsed the paper.

PLVAC Paper No. 3/2003 - “Study on Marine Traffic Risk Assessment for Hong Kong Waters”

15. Invited by the Chairman, Mr. CHAN Ming-kwong presented the paper, which introduced the background and phasing of the Study on Marine Traffic Risk Assessment for Hong Kong Waters, and reported to the members of its progress.
16. The Chairman supplemented that a brief on the findings of the Study would be presented to the PLVAC in early 2004 when sufficient data and analysed information were obtained. The Chairman appealed for members' cooperation and assistance in providing useful data to the consultant of the Study if and when required. Members noted and expressed no comments.

PLVAC Paper No. 4/2003 - “Planning Study on the Harbour and Its Waterfront Areas”

17. Mr. Raymond WONG and Ms. Erica WONG of the Planning Department (PlanD) presented the details of the paper. Members had active discussion on the Study and expressed views on possible adverse impact over the local vessels industries.
18. Mr. CHOI Kim-lui held strong objection to the proposed establishment of Secondary Tourism Node, which was planned to be located outside the Inner Harbour Core at the existing Yaumatei Typhoon Shelter. Mr. KWOK Kam-tung shared the same views and same reasoning for objection with Mr. CHOI and tabled his written comments for members’ information.
19. Mr. Tony YEUNG suggested that, if the government wished to improve the present economic situation, more resources or effort should be invested on cargo handling industry instead of some fancy but unrealistic ideas on tourism.
20. Mr. Shuen Wai supported Mr. CHOI Kim-lui and commented that, given the anticipated shortage of typhoon shelters, the government should work towards a sufficient supply of typhoon shelter space. Urgent identification of a suitable location for the provision was required. Vessels safety should not be sacrificed because of tourism development.
21. Mr. KEUNG Yin-man and Mr. CHEUNG Yau-kwong opined that, instead of spending a huge amount of money on building up artificial tourist attractions, the government should consider developing existing natural/cultural/historic scenic spots that were full of local characteristics in which tourists might be interested.
22. Dr. Alan LAU commented that building the proposed long promenade would be expensive but might not be practical and justifiable because most of the Hong Kong residents were too busy to enjoy it and it was not so attractive to overseas tourists.
23. Mr. Raymond WONG thanked members for their comments. He further explained that the focus of the Harbour Plan Study was to establish an overall framework guiding the future harbourfront developments. The conceptual plans presented to Members were merely illustrations of possible treatments. Members’ views would be taken into account in the future planning of harbourfront projects. Mr. WONG also remarked that Economic Development and Labour Bureau would be consulted on tourism projects affecting the local vessels industries before implementation, and the Bureau would certainly take a balance of the interests of different industries.

24. The Chairman concluded that the concerns from local vessels industry should be well addressed in the future town planning and the PlanD should consider the comments made by members at the meeting.

V. Any Other Business

PLVAC Paper No. 5/2003 - “Proposed Amendments to the Merchant Shipping (Limitation of Shipowners Liability) Ordinance, Cap.434 (The Ordinance)”

25. Mr. CHUN Ping-fai presented the paper and sought views from the members.
26. Members had no strong views on the proposed amendments but some of them offered the following comments –
- (a) Ms. Una Chan reminded that the proposed amendments might lead to a relevant adjustment of insurance charges for the ships below 300 gross ton; and
- (b) Mr. CHOI Kim-lui commented that raising the level of liability limit for 300 gross ton vessels to that of 2000 gross ton could be too high an increase. Despite that, the proposed amendments would not affect much on the insurance charges for their motorboats because they had already been covered by higher-than-requested insurance policies.
27. Mr. CHUN Ping-fai agreed that the setting of liability limits was really a problem of striking a reasonable balance in protecting the interests of shipowners as well as those who might become victims in marine accidents. Members' comments were noted and he would make further consultation at the other related committees.

PLVAC Paper No. 6/2003 - “Establishment of Zhujiang Estuary Traffic Separation System”

28. Mr. BUTT Lee-yuen gave members a brief account of the paper. Upon members' enquiries, Mr. BUTT and the Chairman replied as follows-
- (a) Area of No. 3 Precautionary Area had been planned to its maximum, with radius of 1.3 nautical mile, which was considered large enough for the purpose;
- (b) There was beacon within HKSAR waters; and
- (c) As to law enforcement within the precautionary areas, the HKSARG and the Mainland

authorities would cooperate to take appropriate action against offenders if and when necessary.

29. Mr. KEUNG Yin-man supported the establishment of Zhujiang Estuary Traffic Separation System as it would enhance navigation safety. However, he urged for well publicity and sufficient notices and guidance for the fishing industry. The Chairman noted and thanked for all comments from members.

Other Business raised by Moving around the Table

30. Mr. CHOI Kim-lui expressed concern over safe sheltering within the Hei Ling Chau Typhoon Shelter. He enquired if a breakwater could help solve the problem and asked MD to consider the feasibility. The Chairman responded that MD would follow up the case but emphasized that vessel owners also had the responsibility to maintain good condition of their own vessels so that their vessels could be safely sheltered in the typhoon shelters.
31. Mr. CHEUNG Yau-kwong raised that number of tourists on board at Sai Kung Pier increased drastically and the existing berths were not adequate to cater for the need. The Chairman said that the comment would be passed to Planning Department for consideration and action.
32. Mr. KEUNG Yin-man and Mr. LEUNG Wai-ying requested MD to speed up the simplification of survey system for building of fiberglass vessels and steel vessels. The Chairman reassured members that MD was actively working on the matter and would try best to expedite the liaison with relevant parties.
33. Members had no other comments and the Chairman thanked for members' views given at the meeting.

VI. Date of Next Meeting

34. There being no other business, the meeting ended at 12:50 pm. The date of next meeting would be announced in due course.