

Minutes of the 64th POC Meeting

Date: 24 October 2013 (Thursday)
Time: 1030 hours
Venue: Room A, 24/F, MD Headquarters

Present	Mr. Francis H.P. LIU	Chairman
	Mr. M.S. CHAN	Licensed Pilot (LP)
	Mr. W.S. CHAN	HK Liner Shipping Association (HKLSA)
	Miss Cecilia CHAN	Oil Industry Representative Committee (OIRC)
	Mr. Raymond K.W. CHENG	HK General Chamber of Commerce (HKGCC)
	Mr. T.K. CHEUNG	Local Ferry Operators (LFO)
	Mr. Phileas Y.C. FONG	Dockyard and Harbour Tug Operators (DHTO)
	Mr. Sunny L.K. HO	HK Shippers' Council (HKSC)
	Mr. M.S. WONG	Wharf & Godown Operators (W&G)
	Mr. Andrew K.L. WONG	HK Cargo Vessel Traders' Association (HKCVTA)
	Mr. Charles C.W. YUNG	Container Terminal Industry (CTI)
	Mr. W. ZHOU	HK Shipowners Association (HKSOA)
	Mr. Cruff CHEUK (on behalf of Ms. Julina CHAN)	Transport & Housing Bureau (THB)

Mr. Gordon PEI (on behalf of Mr. Francis LEE)	Civil Engineering and Development Department (CEDD)
Mr. S.M. CHUNG	Marine Department (MD)
Mr. M.S. CHAN	Secretary

In Attendance

Mr. H.M. TUNG	Marine Department (MD)
Mr. Y.M. CHENG	Marine Department (MD)
Mr. W.H. WONG	Marine Department (MD)
Mr. Paul TSUI	Hong Kong Association of Freight Forwarding Agents (HAFFA)
Mr. Willy LIN	Hong Kong Shippers' Council (HKSC)

1. Open of Meeting

1.1 The Chairman welcomed all to the meeting and introduced the following persons:-

1.1.1 Mr. H.M. TUNG, the Deputy Director of Marine.

1.1.2 Mr. Cruff CHEUK representing the THB on behalf of Ms Julina CHAN.

1.1.3 Mr. Gordon PEI representing the CEDD on behalf of Mr. K.S. LI

1.1.4 Mr. W.H. WONG, SMO/VTC of MD for presenting the POC Paper No. 5/13

1.1.5 Mr. Y.M. CHENG, AD/MP(Ag.) of MD for presenting the POC Paper No. 6/13

1.1.6 Mr. Paul Tsui, the Chairman of HAFFA

1.1.7 Mr. Willy LIN, the Chairman of HKSC

2. Confirmation of the minutes of the 63rd Meeting held on 23 April 2013

2.1 As no amendments were proposed by POC Members, the minutes of the 63rd Meeting were confirmed.

3. (Discussion Item 4.2 under the Agenda)

POC Paper No. 6/13

Draft Amendment to SOLAS Chapter VI, Regulation 2 – Cargo Information – Weighing of Containers

3.1 **The Chairman** suggested to discuss the POC Paper No. 6/13 before the other items and invited **Mr. Y.M. CHENG** to present the paper.

3.2 **Mr. Y.M. CHENG** (MD) started with the background of proposed amendments to the SOLAS Chapter VI regarding the issue of specifying the requirements on verifying the weights of containers.

Mr. CHENG then introduced the present situation and explained that the proposal of verifying the weights of containers is a supplement to the existing SOLAS requirements.

Mr. CHENG briefed the meeting about the consultation made, the situation of increasing number of marine accidents relating to mis-declarations of containers and sought the views of members on the draft requirements on the verification of container weight.

- 3.3 **Mr. Willy LIN** (HKSC) expressed that the industry had not been consulted previously on the issue.

Mr. LIN said that the industry was concerned about the requirement of mandatory verification of the gross weight of containers. They didn't agree that the weighing of containers should be compulsory and explained the difficulties on the weighing of containers as considered by the industry.

- 3.4 **Mr. Paul TSUI** (HAFFA) said that the overweight issue could be due to the reason of cargo carried by containers which were declared empty. **Mr. TSUI** added that, in general, correct weights or measurements should be declared for the shipping of containers.

Mr. TSUI suggested that shipping companies should deal with and clean up the empty containers in respect of the overweight issue. Besides, the shipping companies should carry out checks on some potential containers in port suspected to be overweight.

Mr. TSUI opined that the requirement of weighing containers would have impacts on the supply chain.

- 3.5 **Mr. W. ZHOU** (HKSOA) said the issue of weighing containers was initiated by shipowners. **Mr. ZHOU** mentioned a few accident cases due to overweight containers.

- 3.6 **Mr. Sunny HO** (HKSC) opined that the industry had to find a solution for the problem and he said the proposed measures and the requirements by IMO were not sufficient as the issue was not fully addressed.

Mr. HO pointed out that shippers understood that it was shippers' responsibility to declare correct cargo information and data. He raised three points which needed to be addressed in respect of accidents relevant to containers onboard:

- i. Whether containers had been stowed according to the stowage plan prepared by terminals;

- ii. Whether the data used for preparing stowage plans were correct or accurate; and
- iii. Risk assessment should be conducted to identify the problem and risk management measures should be introduced to tackle the issue.

Mr. HO added that a full review on the flow of cargo declarations should be conducted to ensure the data or electronic communications concerned were accurate and correct for shipowners, container ports / terminals and workers in handling the containers.

Mr. HO said that shippers could not agree with the proposed measures and weighing of containers because it might increase their cost. Moreover, it was not clear how shippers or forwarders could provide the technical details to shipmasters and terminal representatives under the proposed measures.

Mr. HO pointed out that the accidents cited might be caused by improper stowing of cargoes inside a container rather than due to overweighting and he suggested training programmes should be provided to shippers to ensure that they could properly stow their cargoes inside a container so as to enhance maritime and cargo safety.

3.7 **Mr. Andrew K.L. WONG** (HKCVTA) opined that the problem of overweight containers could be a result of inaccurate counting of unit weights. Also, it could be a result of deliberate mis-declarations.

3.8 **Mr. M.S. WONG** (W&G) agreed that the measures of weighing containers might cause impacts to the industry and the supply chains.

Mr. WONG expressed that opinions from the industry should be reflected to the IMO through the mainland maritime authority.

Mr. WONG considered that the proposed measures of weighing containers should not be imposed on all shippers indiscriminately.

3.9 **Mr. W. ZHOU** (HKSOA) expressed that mis-declarations on cargo information existed and cited a container of wooden handles turned out to be a container of fireworks in Egypt for instance. The container was detained by the local customs as a result.

- 3.10 **Mr. Willy LIN** (HKSC) queried about the IMO's report and its claims of marine accidents.
- 3.11 **The Chairman** expressed that the subject issue involved many parties and stakeholders of the shipping industry. A solution had to be identified to address the impact.
- 3.12 With respected to that 10% of containers stowed on board a ship which didn't follow the stowage plan as raised in the IMO report, **Mr. Charles C.W. YUNG** (CTI) expressed that the practice in Hong Kong on this issue was that any changes to the stowage plan had to be verified and accepted by the shipping company and the container ship concerned.

Mr. YUNG pointed out in some cases, container boxes were not stowed on the ship according to the stowage plan especially for those originated from Europe for unloading.

Mr. YUNG mentioned that the IMO report didn't explain the situation or provide details concerning the 10% improper stowage of containers.

Mr. YUNG expressed that container terminal operators were concerned about the proposed measures, the additional cost and its implementation. He anticipated that difficulties might be encountered on weighing of containers from its carrier truck. The efficiency on handling containers would be affected.

Mr. YUNG further expressed that, according to the proposed measures, shippers had to provide cargo information to shipping lines and container terminals. **Mr. YUNG** said that disputes might arise if the details provided to them were different from that of shipping lines.

- 3.13 **Mr. Y.M. CHENG** (MD) thanked POC Members' opinions and he advised that views and opinions from the industry and concerned parties would be collected. Besides, experience from other countries such as the Mainland China and Singapore would be considered in order to ensure the guidelines proposed by IMO could be workable for the industry.

Mr. CHENG stated that Hong Kong as an Associate Member of IMO, might seek support from the Mainland and to express the views collected on the issue. He suggested a working group be formed to thoroughly discuss the issue with the industry and the group needed to proceed expeditiously and the paper had to be ready by February 2014.

3.14 **Mr. Willy LIN** (HKSC) opined that the impact on supply chains and the shippers' views on the issue should be reflected to IMO.

3.15 **The Chairman** expressed that all concerned parties should work together and find a solution to the issue for IMO to improve the guidelines. The guidelines should be one that would assist in compliance of the requirements by the industry and at the same time acceptable to both the shipowners and concerned stakeholders in the supply chain with respect to ships' safety.

3.16 **Mr. Cruff CHEUK** (THB) opined that the working group should on one hand review the current practice adopted by the trade, in order to determine if there were problems in meeting the new requirements and on the other hand, the working group should find out the positions of other countries on the adoption of the new requirements, and how they could meet those requirements. Upon identifying the problems, practical measures should be explored to address the problems. Should the working group consider that Hong Kong has difficulty in complying with the new requirements, it would be necessary to formulate a strategy for reflecting the difficulty to the Mainland authority and the IMO.

Mr. CHEUK also suggested that the working group should be formed promptly so that views and opinions from all concerned parties could be collected in time. Taking into account that the endorsement of the new requirements would be in May 2014, drafting of any IMO paper (if needed) should be commenced in January 2014.

3.17 **Mr. H.M TUNG** (MD) said that if a paper opposing the guidelines was to be submitted to the IMO, such opposition would just be a single voice in the IMO. **Mr. LIN** (HKSC) was urged to lobby other parties of the supply chain in other regions to reflect their opposition on the guidelines to their respective administrations and support Hong Kong's opinion.

3.18 **The Chairman** expressed that a working group or a task force should include logistic representatives for collecting views and opinions.

The Chairman thanked all for their views and expressed that MD would discuss with the policy bureau for further arrangements. In reflecting the views of the industry, the concerns of all parties would be taken into account.

4. Matters arising from the 63rd Meeting

4.1 Dredging for Kwai Tsing Container Basin and its Approach Channel

4.1.1 **Mr. Gordon PEI** (CEDD) reported that THB submitted a PWSC paper on 11 June 2013 for funding application of the proposed project and the Finance Committee approved the funding on 5 July 2013.

Mr. PEI said that, with the approval from THB in April 2013 on the invitation of tenders for the proposed works before funding is secured, CEDD had managed to speed up the implementation of the project and the works contract (Contract No. CV/2013/04) commenced on 30 August 2013 for completion in end 2015.

Mr. PEI advised that the contractor had carried out the erection of temporary site accommodation and the mobilization works. The works programme and the necessary statutory submissions related to the environmental protection and marine works issues would proceed as planned. A community liaison group (CLG) and a marine traffic management liaison group (MTMLG) would be set up for maintaining close liaisons with relevant fishermen/mariculturists and terminal operators/stakeholders during the construction period. Environmental monitoring stations would be set up and an environmental baseline monitoring would be carried out before end 2013. It was anticipated that dredging works would commence in early 2014 upon obtaining the necessary approval and agreement from EPD and MD on the statutory submissions.

Mr. PEI said that as the schedule was tight and the dredging works are severely constrained by the busy berthing schedules of the container ships visiting the Kwai Tsing Container Basin (KTCB), the contractor and his marine traffic consultants would closely liaise and coordinate with terminal operators and relevant stakeholders for discussing the dredging arrangements especially for the areas in front of the respective terminals, entrances of inner berths and critical spots within the KTCB. Mutually acceptable schemes would be formulated for the dredging works by adoption of the working window approach.

4.1.2 **Mr. M.S WONG** (W&G) enquired and **Mr. PEI** responded that dredging of the 50-metre berthing boxes of the container terminals would be determined and arranged by the container terminal operators.

4.1.3 **Mr. Charles YUNG (CTI)** advised that container terminal operators had their strategy on the dredging plan for their 50-metre berthing boxes and would take into account CEDD's dredging schedules. **Mr. YUNG** mentioned that EPD would not issue dredging permit to terminal operators during the time of CEDD dredging project.

4.1.4 After exchange of views and discussions on the issue, **the Chairman** suggested and **Mr. PEI** responded that the MTMLG Meeting would invite representatives from W&C and HKLSA.

4.2 The "Code of Practice – Working in Confined Space on Vessels"

4.2.1 **The Chairman** informed the Meeting that the "Code of Practice – Working in Confined space on Vessels" had been approved and following its promulgation by Government Gazette Notice on 16 August 2013 had taken effect on 1 October 2013 was. **The Chairman** advised that the item would be removed from the next POC Meeting agenda.

4.3 Amendments to the "Code of Practice on Shipboard Container Handling on Vessels"

- 4.3.1 **The Chairman** informed the Meeting that the amendments to the “Code of Practice on Shipboard Container Handling on Vessels (2nd Edition – September 2013)” had been approved and its effectiveness from 1 September 2013 was promulgated by Government Gazette Notice on 16 September 2013. **The Chairman** advised that the item would be removed from the next POC Meeting agenda.

5. New Items

5.1 POC Paper No.5/13

Establishment of Principal Fairways in the Waters of Lantau Island

- 5.1.1 **The Chairman** invited **Mr. W.H. WONG** (MD) to present the POC Paper No.5/13.

- 5.1.2 **Mr. W.H. WONG** (MD) introduced the current situation and the marine traffic in the subject area, the study carried out and the review on traffic management for the subject area, the proposed principal fairway configuration, the re-deployment of three existing buoys, a new buoy to be established and the establishment of prohibited fishing area in the fairway junction.

Mr. WONG informed the Meeting that the Local Vessels Advisory Committee (LVAC) had been consulted whereas the fishermen associations had raised concerns on loss of fishing ground and asked if there would be compensation.

Mr. WONG expressed that the establishment of principal fairways and fairway junction area would not affect the water quality and marine ecology. Mr. WONG said that MD would liaise with the Agriculture, Fisheries and Conservation Department (AFCD) to follow up with the fishermen associations’ concerns.

Mr. WONG expressed that views and opinions received after consultation would be consolidated. MD would then make proposal for Government’s consideration.

5.1.3 **Mr. M.S. WONG** enquired and **Mr. W.H. WONG** (MD) responded that the Ma Wan Channel was not wide enough for establishing a Traffic Separation Scheme for two-way traffic.

Mr. WONG (MD) said small ships could use the Kap Shui Mun Channel for south bound to the western harbour. They could follow a vessel transiting the Ma Wan Channel if they were going in the same direction as that of the vessel.

Mr. WONG (MD) further explained that the Ma Wan Channel was narrow and with strong current. Due to physical constraint, it was not feasible to widen the channel.

5.1.4 **Mr. Sunny L.K. HO** raised 3 questions and **Mr. W.H. WONG** (MD) replied as follow :

- i. The establishment of the principal fairways would be widely publicized in the Mainland and Hong Kong.
- ii. Vessels navigating inside the fairways should follow the relevant rules of the road. They will be monitored by the Vessel Traffic Centre (VTC) whereas VTC would alert vessels whenever necessary.
- iii. The proposed principal fairways and the deep water channel concerned should not be affected by the height restriction zones to be established under the third runway project proposed by the Airport Authority.

5.1.5 **Mr. Andrew K.L. WONG** (HKCVTA) enquired and **Mr. W.H. WONG** (MD) replied as follow:

- i. With respect to the time schedule for the proposal, **Mr. WONG** said it was planned to submit a Draft Drafting Instruction (DDI) in early or mid-2014 after consultations were completed.

ii. Regarding the effect on tugs and barges, **Mr. WONG** expressed that, like other local ships, tugs and barges could choose to navigate inside principal fairways or outside them. Tugs and barges navigating within a principal fairway should follow the applicable rules.

5.1.6 **Mr. W.S. CHAN** (HKLSA) opined that MD should consider setting up a traffic control station or deploying patrol boat to manage the marine traffic near Shekou as the area might become busier when construction of the third runway was started.

Mr. W.H. WONG (MD) responded that the Marine Traffic Impact Assessment (MTIA) on the construction of the third runway would address the traffic impact concerned. **Mr. WONG** expressed that the proposed establishment of principal fairways was aimed at better organization of marine traffic in the area.

5.1.7 **Mr. Cruff CHEUK** (THB) enquired and **Mr. W.H. WONG** (MD) clarified that the fairway junction identified under the proposal was not a principal fairway.

Mr. WONG expressed that the fairway junction would be designated as a prohibited fishing area under Part I Schedule 11 of Chapter 313A.

6. Any Other Business

6.1 Membership of the Port Operations Committee

6.1.1 **The Chairman** advised that the POC membership would expire on 14 February 2014 and the nomination / appointment exercise for the next term would start in December 2013.

6.1.2 The **Chairman** reminded POC Members that, for new nominations or re-nominations, it was the Government policy that Members in public sector advisory and statutory bodies (ASBs) should generally not be recommended to sit on the same body for more than six years or to serve on more than six bodies at any one time in order to ensure a reasonable turnover on membership and distribution of workload.

7. Date of Next Meeting

To be advised in due course.

8. Close of Meeting

The meeting closed at 1255 hours

Confirmed this day of

Chairman

Secretary