

## Shipping Consultative Committee

### Minutes of the 27<sup>th</sup> Meeting held at 2:30 p.m. on 3 November 2005 in the Marine Department Conference Room A

Present: Mr. P.F. Chun Marine Department (Chairman)  
Mr. Arthur Bowring Hong Kong Shipowners Association  
Capt. L.C. Chan OOCL Ltd.  
Capt. Pradeep Chawla Anglo-Eastern Ship Management Ltd.  
Capt. Ning Pao Kun COSCO (H.K.) Shipping Co. Ltd.  
Mr. Peter Wong Unique Shipping (HK) Ltd.  
Mr. C. Kocherla Pacific Basin Shipping (HK) Ltd.  
Mr. Nishant Gulati Fleet Management Ltd.  
Mr. Samson Lok SINOTRANS Shipping Ltd.  
Mr. Jim Nelson Wallem Shipmanagement Ltd.  
Mr. A. Dey Eurasia Group of Companies  
Mr. A.D. Mishra UNIVAN Ship Management Ltd.  
Mr. Bill Amos Johnson Stokes & Master  
Capt. Y.C. Yu The Merchant Navy Officers' Guild – Hong Kong  
Mr. M.N. Tsang Hong Kong Seamen's Union  
Mr. W.F. Leung Marine Department (Secretary)

In attendance: Mr. H.M. Tung Marine Department  
Mr. H.K. Leung Marine Department  
Mr. P.C. So Marine Department  
Mr. C.H. Tso Marine Department  
Mr. S.W. Cheung Marine Department

Absent with Apology : Mr. K.L. Lee  
Mr. TIAN Zhongshan  
Capt. C.A.J. Vanderperre  
Mr. Rajaish Bajpae  
Mr. K.S. Rajvanshy  
Mr. Raymond Chan  
Capt. C.M. Yu  
Mr. K.Y. Ting

1. The Chairman welcomed all present and introduced the newly appointed members : Capt. Ning Pao Kun, Mr. Jim Nelson, Capt. Francis Li, Mr. Peter Wong and Mr. Bill Amos. He then requested the Secretary to introduce those participants who stood in for the SCC members: Mr. Nishant Gulati (for Mr. K.S. Rajvanshy), Mr. Samson Lok (for Mr. TIAN Zhongshan), Mr. A.D. Mishra (for Capt. C.A.J. Vanderperre), Mr. A. Dey (for Mr. Rajaish Bajpae), Capt. Y.C. Yu (for Capt. C.M. Yu) and Mr. Tsang Man Ngai (for Mr. K. Y. Ting).

### **Agenda Item 1 – Declaration of Interest**

2. The Chairman reminded members that they were required to draw the attention of the Committee if their personal interest might substantially affect their views in the course of discussion of any topics at this meeting.

### **Agenda Item 2 – Confirmation of the Minutes of the 26<sup>th</sup> Meeting held at 2:30 p.m. on 4 May 2005**

3. The minutes of the 26<sup>th</sup> meeting held on 4 May 2005 were confirmed with no amendment.

### **Agenda Item 3 – Maritime Security – Long Range Identification and Tracking Systems (LRIT)**

4. Mr. H.K. Leung mentioned that no consensus could be reached as to the range of distance for which a coastal State should have the right to track a ship and receive LRIT information. China, Greece and Islamic Republic of Iran argued for a 200nm limit while UK wanted the limit set to 1200nm. A working group set up by IMO recently agreed on the following draft requirements for LRIT system :

- a) The proposed date for which ships are required to have the installation of automatic LRIT onboard will be on 1 January 2008 except for ships fitted with AIS and operated exclusively within sea area A1;
- b) Automatic LRIT should meet the IMO performance standards and transmit the following information:
  - The identity of ship
  - The position of the ship (latitude and longitude)
  - The date and time of the position provided

- c) Flag States are entitled to receive LRIT information about their ships irrespective of where such ships may be located.
- d) Coastal States are not entitled to receive LRIT information on any ship except such ship had declared the intention to enter a port in their jurisdiction. However, they need to communicate with IMO to seek information of:
  - The distance from their coast; and/or
  - The period of time prior to the expected time of arrival of a ship in a port facility or a place under their jurisdiction.
- e) Contracting Governments should protect the received information from unauthorized access or disclosure.
- f) Contracting Governments should bear all costs associated with any LRIT information.
- g) Ships should not incur any charges for transmitting LRIT information.
- h) The search and rescue services of Contracting Governments are entitled to receive LRIT information without charge.

5. The Chairman supplemented that as far as maritime security was concerned, LRIT system was the only outstanding topic to be resolved at IMO at the moment. He opined that if there was no agreement reached at the next MSC 81 meeting, IMO might adopt the aforementioned proposed amendments and put aside the issue of the tracking range for coastal States for the time being. Regarding Hong Kong's position on such issue, the Chairman said that Hong Kong agreed with the suggestion made by China that a flag State should be allowed to specify the range of distance from a coastal State, within which its ships would provide the tracking information to the coastal State.

6. Mr. Arthur Bowring mentioned that shipowners would not have much problems to cope with the tracking range, whether it was 200 nm or 2000 nm. However, from the shipowners' point of views, the LRIT system should not incur any additional cost to the ships or require intervention by the crews.

7. Capt. Pradeep Chawla mentioned that he had led a group of shipowners in Australia to get their opinions on the tracking range. It appeared that shipowners tended to accept the tracking distance to be in the range of 400 nm to 1200 nm as proposed by U.K.

8. The Chairman mentioned that the tracking range would not only be related to the jurisdiction of a flag State but also connected to the issues of an additional

international obligation and “innocent passage” on the part of a ship under UNCLOS. If the tracking range as high as 2000 nm was adopted by all coastal States, it would mean no matter where a ship was, it would be monitored by some coastal States using the LRIT system.

9. In reply to an enquiry from Mr. A.D. Mishra, the Chairman said that if a country, whether it was a port State, coastal State or flag State, was entitled under the new requirements to receive the LRIT information, only the State but no one else, would get such information and the information should remain confidential.

#### **Agenda Item 4 – New SOLAS Amendments**

10. Mr. H.M. Tung said the briefing paper on new SOLAS amendments had been forwarded to members before the meeting. These amendments were adopted by IMO in resolution MSC.194(80) in May 2005. Amendments in Annexes 1 and 2 to the said resolution would enter into force on 1 January 2007 and 1 January 2009 respectively.

The summary of the amendments was as below:

#### **Annex 1 to IMO resolution MSC.194(80)**

Chapter II-1: Construction – Structure, subdivision and stability, machinery and electrical installations

- (a) New definition of bulk carrier is provided.
- (b) Oil tankers of 500 gross tons and over, or bulk carriers of 20,000 gross tons and over, constructed on after 1 January 2006, shall be provided with means of access for close-up survey and thickness measurement of ship’s structures (This requirement will come into force on 1 January 2006).
- (c) A set of as-built construction drawings specified in MSC/Cir. 1135 and other plans showing any subsequent structural alterations shall be kept on board all new ships and ashore by the ship’s company.
- (d) All new ships shall be provided with equipment and fittings with sufficient safe working load for safe mooring and towing operations.
- (e) The requirements of water level detectors are extended to cover single hold cargo ships other than bulk carriers of less than
  - i) 80m in length; and
  - ii) 100m in length constructed before 1 July 1998.

- (f) The automation on propulsion systems of ships constructed on or after 1 July 2004 shall be designed to provide threshold warning of impending or imminent slowdown or shutdown of the propulsion system.

## **Annex 2 to resolution MSC.194(80)**

Chapter II-1 – Construction – Structure, subdivision and stability, machinery and electrical installations

- (g) This chapter was completely re-written to harmonize the subdivision and damage stability requirements contained in various IMO instruments. Probabilistic concept was adopted to develop the new criteria of subdivision and damage stability.

Chapter II-2 – Construction – Fire protection, fire detection and fire extinction

Chapter VI – Carriage of cargoes

Chapter IX – Management for the safe operation of ships

Chapter XI-2 – Special measures to enhance maritime security

Appendix – Certificates

- (h) The amendments made to the provisions in the above chapters are related to editorial matters.

Chapter XI-1 – Special measures to enhance maritime safety

- (i) IMO Unique Company and Registered Owner Identification Number shall be inserted on the ISM, ISPS certificates and the continuous synopsis records when they are issued or renewed on or after 1 January 2009.

11. Regarding the Unique Company and Registered Owner Identification Number Scheme, the Chairman mentioned that IMO encouraged countries to join it on voluntary basis prior to the implementation date. After having studied the issue, Hong Kong decided not to join it on voluntary basis but would take the preparatory measures to ensure smooth implementation of the requirement on 1 January 2009.

12. Mr. Arthur Bowring mentioned that currently “date of construction” or “keel laid” date was used to govern the application of SOLAS requirements to ships. He suggested if Hong Kong would propose changes on SOLAS to use “contract date” as such date would be more meaningful to shipowners or shipbuilders for the evaluation of the cost implications when the ship was being built with the introduction of new SOLAS

requirements after signing of the new building contract. The Chairman responded that there might be implications of using “contract date” instead of “keel laid” date. MD would look into the suggestion and see if it had any merits.

### **Agenda Item 5 - Implementation of MARPOL Annex IV (Regulations for the Prevention of Pollution by Sewage from Ships) and MARPOL Annex VI (Regulations for the Prevention of Air Pollution from Ships)**

13. Mr. C.H. Tso mentioned that the Ministry of Foreign Affairs of the PRC informed MD on 18 October 2005 that the Central People Government (CPG) was finalizing the legislative procedure to implement MARPOL Annex IV in China. Upon completion of the legislative procedure, CPG would communicate to IMO to extend the Annex to China including HKSAR. The sub-legislation to give effect to Annex IV in Hong Kong would come into force in 3 months after the completion of the formalities. The Chairman supplemented that since Hong Kong was a Special Administrative Region of China, under normal circumstances, Hong Kong would not implement any international requirement prior to its implementation in China. Although the legislative process had been completed, Hong Kong still had to wait until China was ready before the Annex IV could be extended to Hong Kong.

14. Regarding MARPOL Annex VI, Mr. C.H. Tso mentioned that MD was currently working on the feedback from DoJ in relation to the DDI for the proposed sub-legislation, i.e. Merchant Shipping (Prevention of Air Pollution) Regulation. If everything went smoothly, the sub-legislation would be ready for approval by LegCo in April 2006.

15. Mr. C.H. Tso also mentioned that MEPC 53 adopted certain amendments to MARPOL Annex VI and the NO<sub>x</sub> Technical Code in July 2005. The amendments mainly related to the survey arrangement, certification and SECAs.

16. Although the relevant legislation was not yet in place, Mr. C.H. Tso said that MD had authorized all ROs to issue certificates of compliance to certify vessels for compliance with the relevant requirements of Annex VI.

17. Mr. A. Dey enquired how MD would control the compliance of Annex VI by bunker suppliers in Hong Kong. The Chairman replied that although the relevant legislation was not yet in place, MD had compiled a list of bunker suppliers in Hong Kong, who could supply bunker meeting the requirements of Annex VI. The list was

already posted up onto the MD website. In addition, MD issued MSIN to draw attention of the shipowners on the need to comply with the Annex VI requirements.

18. The Chairman mentioned that MD was circulating the Consultation Paper No. SCC/119 to seek views from members of this Committee on the IMO unified interpretation in respect of MARPOL Annex VI Regulation 16(9) – shipboard incineration. Mr. A. Dey commented that the IMO's unified interpretation clarifying that Regulation 16(9) would only apply to incinerators installed on ships on or after 1 January 2000 was reasonable as it would not cripple the old incinerators installed before 1 January 2000. Mr. Tso responded that the objective of Regulation 16(9) was to monitor the flue gas temperature and specify the minimum temperature for incineration and temperature of combustion chamber at start-up. The unified interpretation was in effect a relaxation of the requirement of Regulation 16 and would allow uncontrolled emission to the atmosphere.

19. The Chairman elaborated that under Regulation 16(9) of Annex VI, an incinerator was required to meet the temperature requirements in its performance standards. However, it did not necessarily mean that old incinerators which could not meet such requirements of Annex VI should be dismantled or replaced on board ships. In fact, these old incinerators might continue to be operated under certain restrictions in accordance with Regulation 16, i.e. they could be used to burn sludge oil or sewage sludge outside sheltered or port areas. The unified interpretation to exempt compliance with the temperature requirements for the old incinerators was obviously not the original intent of the Regulation. Hong Kong had strong reservation on the unified interpretation because the relaxation of Regulation 16(9) to allow operation of old incinerators in the harbour would aggravate the already serious air pollution problem in Hong Kong. MD thus had decided to submit a paper to the next MEPC to propose withdrawal of the unified interpretation.

20. Mr. Arthur Bowring suggested that the other way to deal with the unified interpretation for the case of Hong Kong was, in signing the acceptance of MARPOL Annex VI, Hong Kong might attach a condition to the ratification that shipboard incineration was not permitted within the waters of Hong Kong. The Chairman responded that MD would only consider such a suggestion as a last resort. He stressed that, from the government's perspective, it should avoid to ratify the acceptance of an international convention with reservation.

21. In reply to an enquiry from Mr. Nishant Gulati on whether Regulation 16 would apply to local vessels in Hong Kong, the Chairman said that based on the advice from EPD, it was the intention that shipboard incineration would be banned on all local vessels. MD was now working on the relevant legislation.

22. Mr. Arthur Bowring enquired on the position and timetable for the implementation of Annex IV for local ferry vessels in Hong Kong as the ferry operators would need time to prepare for the sewage holding arrangement. Mr. H.K. Leung mentioned that the progress of legislative work for the implementation of Annex IV in Hong Kong had been held up because of the disagreement from the local vessel industry. To expedite the process, decision was made in 2000 to only apply Annex IV to ocean going vessels for the time being while its application to local vessels would be implemented at a later stage. As far as local vessels were concerned, ferries would be the first kind of vessel subject to control on discharge of sewage because they would carry more persons and produce more sewage. The Chairman supplemented that Annex IV would eventually apply to local vessels. The issue at stake was for Hong Kong to exercise complete control of the discharge of sewage from shore before actions would be taken to control sewage discharge from local vessels. MD would continue to work on the issue and further consultation with the Environmental Protection Department and the public was obviously necessary. He did not expect the requirements of Annex IV would be applied to any of the local vessels in Hong Kong before 2008.

### **Agenda Item 6 - Policy relating to Phasing Out Single Hull Tankers**

23. Mr. C.H. Tso mentioned that MD's policy on phasing out of single hull tankers had been well promulgated and there was nothing new to be reported in this area. However, he took the opportunity to reiterate that MD offered no extension to the operational life of single hull tankers under both Regulations 13G and 13 H.

24. Mr. Arthur Bowring referred to the case in which a single hull tanker was bought on the basis of MD's advice that extension of its operational life would be permitted. However, after buying the ship, MD's policy of granting extension on single hull tanker was changed. He wondered if the initial advice given by MD was correct. The Chairman replied that before MD made a decision on the policy to phase out single hull tankers, members of this Committee had been consulted. It was only after the consultation views were gathered, MD would then study the merit and demerits before making the decision. He disagreed that in the case mentioned, MD changed the policy after the advice had been given. He said that whenever there were any proposals for



consultation, members should put forward any reservation or views without delay. MD would take into account the collected views and concerns before making a decision.

## **Agenda Item 7– Matters relating to the Hong Kong Shipping Register (HKSR)**

### **Agenda Item 7(a) – Hong Kong Shipping Register (HKSR) statistics**

25. Mr. P.C. So mentioned that up to present, there were about 29.6m gross tons on the HKSR. He expected that the HKSR would reach 30 m tons at the end of 2005.

26. Mr. Arthur Bowring enquired on the development on the proposal to set up a working group to review the HKSR as discussed in the last meeting. Mr. P.C. So replied that in 1999, the policy bureau agreed, in principle, for MD to set up a working group with the shipping industry to review the HKSR. However, it appeared that the situation had changed as the policy bureau wanted more justifications before agreeing to the proposal. As regards the many suggestions put forward by the HKSOA in the proposed review like boosting the image of the Hong Kong shipping industry, Hong Kong's participation in international events and the consultation process with shipping industry etc., these were matters requiring high level policy decisions. MD had therefore conveyed such suggestions to the policy bureau and their approval was awaited. He stressed that these suggestions had to be submitted to the policy bureau for consideration because they were not like other operational matters for which MD alone might handle. The Chairman supplemented that if a comprehensive review of the HKSR was suggested, MD together with the shipping industry must submit very detailed justifications to the policy bureau. He further suggested that any proposal to set up the working group might also be brought up for discussion at the Maritime Industry Council.

27. Mr. Arthur Bowring mentioned that HKSOA still pressed for the setting up of the working group to address a number of issues. Firstly, HKSOA had submitted proposals to change the port dues as well as the annual tonnage tax in response to a consultation paper in relation to enhancing the competitiveness of Hong Kong port and maritime industry. However, there had not been any feedback from the government. In this respect, they considered the consultation was inadequate and hoped the issue would be addressed by the working group. Secondly, Hong Kong shipowners were being targeted unfairly because some "bass plate" companies were taking advantage of the Hong Kong Shipping Register. It was therefore imperative that the working group should be set up to deal with issue by looking into the legislation aspects and other remedial

measures along the line as discussed in the last SCC meeting. Thirdly, the issue on annual tonnage charge (ATC) should be reviewed bearing in mind that when the HKSR was last revamped in 1998, it was agreed that when the tonnage growth reached 15 m gross tons, the issues of tonnage dues would be re-visited.

28. The Chairman mentioned that on the issue of “brass plate” companies, MD was trying to rectify the situation by making use of the PRQC system to deter companies with no link in Hong Kong to have their ships registered in Hong Kong. However, more time was needed to see whether such measure was effective. He continued that MD was aware of the problems facing the HKSR. However, it would be difficult for this Committee to decide whether a working group should be set up to review the HKSR as it was beyond the terms of reference of the Committee. Finally, he agreed that he would reflect the issue to the top management of MD.

### **Agenda Item 7(b) – Flag State Quality Control (FSQC) and Pre-Registry Quality Control (PRQC) Statistics**

29. Referring to the statistics for the quality assurance inspection of ships from 1 January 2005 to 31 October 2005 tabled at the meeting, Mr. S.W. Cheung said that there were 23 FSQC inspections, 10 of which were carried out after the ships were detained by PSC. For these FSQC inspections, 11 ships were graded less than satisfactory while 12 were satisfactory. As regards PRQC, 11 inspections were carried out. He continued that compared with only one PRQC inspection carried out last year, the increased PRQC inspections this year indicated that MD was focusing more on the quality of ships entering into the Hong Kong Shipping Register. He said that for every ship intending to join the Hong Kong Shipping Register, MD would examine whether an inspection was required. If a ship was in a less than favorable condition but not warranted for a PRQC inspection, MD would ask the concerned RO to carry out an intense change of flag survey. In other cases, if a ship had not been inspected by PSC for a long time, MD would ask the RO to institute a more stringent inspection similar to the standard of an annual survey. Regarding US Qualship 21, Hong Kong remained on such status as the number of detention for Hong Kong registered ships in US waters was small. He also mentioned that MD aimed to inspect 5% of its ships in a year and he expected such target could be achieved this year.

30. Capt. Pradeep Chawla commented that there was great tendency for ships over 20 years old to be detained and opined that if such ships were targeted for PRQC inspection, it might help to reduce the number of detention of Hong Kong ships. Mr. S.W.

Cheung responded that MD was aware the age of a ship was a major concern in joining the register. However, there were many other factors needed to be taken into account in determining whether a PRQC inspection would be required. Unless all factors indicated the condition of a ship was questionable, the ship should be treated in the normal manner. He added that Shipping Division was reviewing the selection criteria for ship inspection. The revised criteria were being used in the testing stage to check if the system worked properly. The Chairman shared the view that the age of the ship was a problem to the fleet. He opined that Shipping Division should consider reviewing the criteria to select ships for PRQC and FSQC on a continuous basis. The review should take into account ship detention data as well as other relevant information to see what adjustments should be made to enable MD to identify ships with problems more effectively.

31. Capt. Pradeep Chawla proposed if the age of the vessels would be added in the statistical table for quality assurance inspections as such information would be useful to show the correlation between the age of the vessels and the ship detention rate. The Chairman agreed with the proposal and requested Shipping Division to provide such information in the future statistics.

32. Referring to the statistical table 4 showing the average ship age of the Hong Kong registered vessels, Capt. Pradeep Chawla suggested if “world average ship age” could be added as such information would be useful to serve as a benchmark in comparing the average age of the Hong Kong registered ships. Mr. P.C. So said that the information on world average ship age was available but might not be very updated. The Chairman confirmed that such information would be provided in the future statistics.

### **Agenda Item 7(c) – Detention of HK Ships and Related Statistics, and Agenda Item 7(d) – Detention of HK Ships on Security Ground**

33. Mr. S.W. Cheung mentioned that the statistics on detention of Hong Kong ships were shown in the distributed Table 5a. From 1 January 2005 to 31 October 2005, the numbers of ship detentions under various MOUs were: 15 (Tokyo MOU), 12 (Paris MOU), 4 (Mediterranean MOU), 2 (Latin America MOU), 4 (Indian Ocean MOU) and 2 (Black Sea MOU). He also highlighted that out of these detentions, one ship was detained 5 times and MD was in the process to de-register the ship. He continued that when compared with only a few cases of detentions in last year, the detentions under the Mediterranean MOU and the Indian Ocean MOU this year increased significantly. He believed the increase was due to various MOUs were becoming more active. Regarding ships visiting USA, there was no detention for Hong Kong registered ships this year.

34. Capt. Pradeep Chawla commented that the statistics over the past 5 years showed that under the Tokyo MOU, the port of Newcastle in Australia had an unusually high PSC detention rate than any other ports in the world. It seemed this particular port had targeted Hong Kong registered ships. The Chairman responded that MD would study every detention of Hong Kong registered ships. If the detention of the ship was found not justified, MD would bring up the case to the concerned port authority for their attention. On this particular issue concerning the PSC detention in Newcastle, MD would closely monitor the situation.

35. Mr. A. Dey enquired that what action shipowners should take if they consider the detention was not justified. The Chairman replied that in such case, shipowners should gather details of the detention and inform MD immediately. MD would then study the case and decide whether to follow up with the concerned port authority.

36. Capt. Pradeep Chawla suggested if MD would adopt, as a standard practice, that whenever a Hong Kong registered ship is detained, it would request the concerned port authority to supply the detailed information for the detention. Mr. Arthur Bowring supported the suggestion as it would discourage PSC inspectors to execute any unwarranted detention. The Chairman suggested the Shipping Division to seriously look into the implication of adopting such a practice.

37. Capt. Pradeep Chawla also suggested if statistics could be compiled for the ports which generally tended to detain more Hong Kong registered ships in PSC inspection. The Chairman wondered if such information would be useful to shipowners to avoid detention of ships. However, he requested the Shipping Division to explore the issue.

38. In reply to an enquiry from Mr. Arthur Bowring on whether Hong Kong would target any particular flag of ships for PSC inspection, the Chairman said that MD would not do so. Mr. S.W. Cheung said that MD abided by the ICAC rules for selecting ships for PSC inspection and would not therefore target any particular flag of ships.

39. Mr. S.W. Cheung reported that there were no Hong Kong registered ships detained on security grounds so far this year.

### **Agenda Item 7(e) – HK Ship Accidents and Casualties Statistics**

40. Mr. H.K. Leung said that a new format for presentation of casualties statistics was used. The statistics included the general information on major accidents and the comparison of accidents by vessels, types and nature over the past few years. As from January to September 2005, there was only one very major accident. The accident was probably due to shifting of cargoes and resulted in the total loss of the ship. Regarding the statistical figures, there were 24 accidents as compared to the 12 cases for the same period last year, representing 50% reduction in accidents.

41. In response to a request by Capt. Pradeep Chawla, the Chairman said that the age of the vessels involved in the accidents would be added into the statistical tables in future.

42. In reply to an enquiry from Mr. A. Dey on the publication of investigation reports, the Chairman said that for every investigation of accident, MD would compile an investigation report. The report would only be dispatched to the concerned parties which had a legitimate interest in the accidents. The reports would not be made public due to the provisions of the Personal Data (Privacy) Ordinance. However, the summary of the reports would be posted onto the MD website for viewing by the public. In the event that there were important lessons to learn from the investigation, MD would issue Merchant Shipping Information Notes to draw the attention of the shipping industry to avoid recurrence of the incidents.

43. In reply to an enquiry from Mr. Bill Amos regarding conducting investigation abroad, the Chairman said that under normal circumstances, MD would send surveyors out to carry out investigation overseas as long as the accidents were serious and maritime related. In cases if MD was not able to send surveyors abroad for some reasons, MD would request the ship master and the relevant port authority to provide the necessary details of the accidents to enable the causes to be identified.

44. In reply to an enquiry from Mr. A. Dey on whether all the accidents would be investigated, the Chairman mentioned that MD had clear guidance on the criteria for marine accident investigation. In general if the accidents were serious or involving personal injury or fatality, MD would conduct investigation.

#### **Agenda Item 7(f) – Company Identity Number**

45. Please refer to paragraph 11 on the development of the issue.

## **Agenda Item 8 – Safe Manning Certificate and Ratings Nomenclature**

46. Mr. P.C. So mentioned that this issue related to Hong Kong not using the term Able Seaman in rating nomenclature. This had caused problems when ITF inspectors came on board Hong Kong registered ships to check wages of the seafarers but could not find any Able Seaman in the Collective Bargaining Agreement. He pointed out that Hong Kong did not use the term Able Seaman because if the nomenclature of Able Seaman was used, according to the legislation, they would be required to have been examined and certificated by MD. To resolve the problem, he suggested the seamen union to put a remark in the nomenclature stating that the wages of Seaman 1 in Hong Kong was equivalent to that of Able Seaman. Capt. Pradeep Chawla commented that Hong Kong might not have much choice on the issue as the qualification of ratings would come under the STCW 95 requirements. The Chairman said that the qualification of ratings was originally an ILO issue but now had been passed to IMO. As IMO just took up the matter, it might take a few years before any decision would be made. He added that when the new IMO requirements became mandatory, MD would take necessary actions to align with them.

## **Agenda Item 9 – Proposed Amendments to Freight Container (Safety) Ordinance, Cap. 506**

47. Mr. H.M. Tung said the briefing paper on Proposed Amendments to Freight Container (Safety) Ordinance, Cap. 506 had been forwarded to members before the meeting. He outlined that the Freight Container (Safety) Ordinance, Cap. 506 and its four sub-legislation had been enacted to give effect to the requirements in relation to control of the use of containers under the International Convention for Safe Containers, 1972 (CSC) and its amendments. The legislation had not yet been put into operation due to a number of outstanding issues detected in the ordinance and its sub-legislation. MD had proposed to amend the legislation. The amendments included :

- (a) to remove the provisions relating to restriction of place of manufacture of containers from the legislation to keep in line with the relevant provisions of the CSC;
- (b) to appoint authorized persons to approve container design; and
- (c) to incorporate in the legislation the provision relating to removal of safety approval plate from containers under certain conditions.

He continued that this exercise was expected to be completed in 2006. The members had

no comments on this issue.

48. The Chairman supplemented that at present, the legislation was in place but could not be put into operation. Such situation was very unsatisfactory as Hong Kong was one of the major containers ports in the world. He hoped that the legislation for the proposed amendments could be completed within 2006.

### **Agenda Item 10 – Outcome of the Conference on SUA Convention**

49. Mr. H.K. Leung mentioned that the SUA Convention and its 1998 Protocol were to ensure that appropriate actions could be taken against persons committing unlawful acts against ships and fixed platforms. In view of the 911 events in the USA, a Diplomatic Conference held in October 2005 adopted amendments to the SUA Conventions and its Protocol. The amendments were to strengthen the Convention in its combat against unlawful acts, in particular terrorist acts of violence. They expanded the Convention to cover unlawful use or transport of biological, chemical and nuclear (BCN) weapon. They also included provisions to regulate boarding of vessels on high seas by another State Party. The amendment relating to boarding provisions was contained in Article 8 of the SUA Convention and summarized as follows:

- (a) Authorization and co-operation of the flag State is required before such boarding;
- (b) The flag State shall either:
  - authorize the requesting Party to board and to take appropriate measures;
  - conduct the boarding and search with its own law enforcement or other officials;
  - conduct the boarding and search together with the requesting Party;
  - or
  - decline to authorize a boarding and search.
- (c) The use of force is to be avoided.

Article 8bis included also the following important safeguards when a State Party takes measures against a ship, including boarding:

- not endangering the safety of life at sea;
- ensuring that all persons on board are treated within human rights law;
- take due account of safety and security of the ship and its cargo;

- ensuring that measures taken are environmentally sound; and
- taking reasonable efforts to avoid a ship being unduly detained or delayed.

50. The Chairman supplemented that the new Protocol would come into force after ratification by 12 States. At the moment, the SUA Convention was not yet applicable to Hong Kong. However, legislative work was being done by the Government to extend the Convention to Hong Kong.

51. Mr. Arthur Bowring enquired if Hong Kong would make an agreement with USA to allow officials of USA to board Hong Kong registered vessels. The Chairman replied that Hong Kong would not do so. He added that such an issue related to the jurisdiction of a flag State and Hong Kong had to align its position with the Mainland on the issue.

### **Agenda item 11 - Goal Based Standards**

52. Mr. H.M. Tung said the briefing paper on Goal Based Standards (GBS) had been forwarded to members before the meeting. He said that GBS had been discussed during the meetings from MSC 78 to MSC 80. The progress was slow as the views of the delegates were divided even on minor issues. Delegates tended to have different understandings and interpretations on the technical terms used in the discussions. He continued that the Framework of the GBS had been agreed, which was a five-tier system consisting of Tier I – Goals; Tier II - Functional requirements; Tier III – Verification of compliance criteria; Tier IV – classification rules and industry standards; Tier V – Codes of practice and other operational matters. The goal in Tier 1 had been developed and agreed that they should apply to all types of new ships. Some elements in the functional requirements in Tier 2 had also been developed, e.g. special design life, use of North Atlantic environmental conditions as design criteria while other requirements such as structural strength, fatigue life, residue strength, protection against corrosion were still needed to be developed. He continued that it was agreed that it should firstly focus the discussion of Tier II elements for new oil tankers and bulk carriers for the time being although the functional requirements should be for all new ships. GBS was a very complicate project and would take a couple of years to complete.

53. Mr. Arthur Bowring commented that for Tier 3 in the GBS Framework, it would be arguable to have the Classification Societies to verify their own rules. For this reason, the ICS proposed an independent body to be set up to audit the background of the



prescribed rules in the development of Tier IV and Tier V against the criteria set by IMO on the Tier II. It also proposed that other bodies should have the right to submit such information to the audit body. The Chairman commented that he wondered if there would be any body other than the Classification Societies themselves would be in a better position to verify the class rules. He added that MD would monitor the development of the GBS and report back to this Committee.

## **Agenda item 12 – MD’s Views on the Voluntary IMO Member State Audit Scheme**

54. Referring to the consultation paper No. SCC/120 on voluntary IMO member state audit scheme, Mr. W.F. Leung said the objective of the audit was to determine to what extent Member States were implementing and enforcing the IMO instruments. He gave an outline on the scope of the audit, current status of compliance of IMO instruments in Hong Kong, and implications on participation in the audit scheme.

55. The Chairman supplemented that the purpose of the paper was to seek members’ view on whether Hong Kong should volunteer to join the voluntary audit scheme once it had been adopted by the forthcoming IMO Assembly. He added that one member of the Committee had already indicated in writing his support for Hong Kong to volunteer for the scheme.

56. Mr. Arthur Bowring mentioned that HKSOA fully supported Hong Kong to volunteer joining the scheme at the earliest possible stage as it would be good for Hong Kong’s international status.

57. The Chairman said that the implication for Hong Kong to volunteer for the audit would be the expenses incurred and the manpower resources needed. He would not envisage any problem for Hong Kong to volunteer for the audit and to obtain good results. After taking into account of the views of the members, MD would make a decision on whether to join the audit scheme. If MD decided to opt for the audit, policy agreement from EDLB would need to be sought.

## **Agenda item 13 – Any Other Business**

### **Agenda item 13(a) – Issues related to ISPS Code**

58. Mr. A. Dey enquired if MD would recognize a SSO training course run by the

company's own established training institute which was located outside Hong Kong. Mr. H.K. Leung replied that as mentioned in the last meeting, MD was discussing with the Maritime Services Training Institute (MSTI) to set up a training course for SSO. At the moment, MD would just concentrate on the development of the locally run training courses.

59. Mr. A. Dey informed that the Singapore Maritime Authority had issued a circular to promulgate MSC Circular 1156 concerning boarding procedures under the ISPS Code and suggested MD to issue a similar notice.

60. The Chairman said that the two issues raised were part of a written response from Eurasia, which he would reply in writing. He also pointed out that MD in fact had issued MSIN No. 22/2005 on 30 June 2005 to draw the attention of all concerned parties to the MSC circular No. 1156.

[Post meeting notes: The written reply spelt out MD's policy regarding training of SSO as follows :- MD will recognize SSO training courses operated by institutions outside Hong Kong if (i) the courses have been accredited by a national government for compliance with the relevant IMO requirements such as IMO model course or (ii) the courses have been vetted for compliance by MD. For the latter case, the vetting process would include checking the course material and a site visit. All associated costs would have to be paid by the institute requesting such accreditation.]

### **Agenda item 13(b) - Servicing for Lifeboat Launching Appliances**

61. In reply to an enquiry from Mr. A. Dey on the suitability of ship's crew to undertake servicing for lifeboat launching appliances, the Chairman said that the weekly and the monthly inspection of the launching appliances could be done by ship's crew in accordance with the instructions of the manufacturers. However, for annual inspection, servicing and repair, the work had to be undertaken by persons who had been duly trained and certificated by the manufacturer for such a job. The person might come from the manufacturer, a recognized service station or workshop. After the service work had been done, a certificate certifying the appliance was fit for its purpose should be issued. The person might also be someone from the shipping or management company as long as he or she had been properly trained and certificated by the manufacturer. In such a case, after the service work had been done, the person responsible for the work would have to enter into a logbook to certify that the appliance had been duly serviced and was fit for the intended purpose in accordance with the MSC circular 1093.

### **Agenda item 13(c) - Biometric Seafarers' Identity Card**

62. Mr. A. Dey enquired about the progress regarding the biometric seafarers' ID cards. The Chairman said that Hong Kong at the moment had no intention to ratify the concerned Convention. Hong Kong however had no problems to issue a seaman ID Card meeting the requirements as the technology used would be similar to what was being used in the SMART ID Card issued to the Hong Kong citizens. Mr. P.C. So mentioned that in view of the availability of such technology, Hong Kong would incur no additional cost for issuing biometric cards for Hong Kong seafarers.

### **Agenda item 13(d) - Dispatch of Meeting Documents**

63. Mr. W.F. Leung said that meeting documents usually were sent to members of this Committee both through e-mails and by dispatch of hard copies. As e-mail communication was common, effective and reliable nowadays, it was proposed that, starting from now on, meeting documents would only be transmitted by e-mail to members, i.e. hard copies of the documents would no longer be dispatched. The proposed change would reduce workload and be more environmentally friendly. The meeting agreed with the proposal.

### **Agenda item 13(e) - Measures for preventing the Avian Influenza (H5N1)**

64. The Chairman drew the attention of members on the outbreak of Avian Influenza (H5N1) in Asia and Europe. He continued if there were cases of avian influenza occurred in Hong Kong, the Government would step up the alert and take necessary precautionary measures. When there were cases of virus transmitted from human to human, the situation would become very serious and even shipping companies would have to take the necessary precautions to prevent its development into a pandemic. At this stage, MD had issued Marine Department Notice No. 174 of 2005 advising what ship masters, person-in-charge of vessels and crew should do to prevent the spread of the disease. The main precautionary measures were to : (a) avoid direct contact with birds and poultry; (b) wash hands thoroughly after contact with live poultry, birds or their droppings; (c) cook poultry and eggs thoroughly before eating; (d) build up good resistance and have a healthy lifestyle; (e) maintain good environmental hygiene and good ventilation; and (f) if having symptoms of respiratory infection, wear a face mask and consult a doctor promptly. He said that members should monitor the situation and advise their seafarers accordingly.

## **Close of Meeting**

65. As there was no other business, the meeting closed at 5:15 p.m.