#### **Shipping Consultative Committee**

#### Minutes of the 28th Meeting held at 2:30 p.m. on 28 April 2006 in the Marine Department Conference Room A

Present:

Mr. P.F. Chun

Marine Department (Chairman)

Mr. K.L. Lee

Marine Department

Mr. Arthur Bowring

Hong Kong Shipowners Association

Capt. W. Zhou

OOCL Ltd.

Capt. Ning Pao Kun

COSCO (H.K.) Shipping Co. Ltd.

Mr. Anil Arora

Unique Shipping (HK) Ltd.

Mr. C. Kocherla

Pacific Basin Shipping (HK) Ltd.

Mr. Samson Lok

SINOTRANS Shipping Ltd.

Mr. S. Jairaj

**Eurasia Group of Companies** 

Mr. A.D. Mishra

UNIVAN Ship Management Ltd.

Mr. Raymond Chan

Capt. Y.C. Yu

Wah Kwong Shipping Agency Co. Ltd. The Merchant Navy Officers' Guild - Hong Kong

Mr. K.Y. Ting

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. C.H. Tso

Marine Department

Mr. S.W. Cheung

Marine Department

Absent with apology:

Mr. Capt. L.C. Chan

Capt. Pradeep Chawla

Mr. TIAN Zhongshan

Capt. C.A.J. Vanderperre

Mr. Rajaish Bajpaee

Mr. K.S. Rajvanshy

Mr. Peter Wong

Capt. Francis Li

Mr. Jim Nelson

Mr. Bill Amos

Capt. C.M. Yu

1. The Chairman opened the meeting by welcoming all present. He then requested the Secretary to introduce those participants who stood in for the SCC members: Capt. W. Zhou (for Capt. L.C. Chan), Mr. A.D. Mishra (for Capt. C.A.J. Vanderperre), Mr. Anil Arora (for Mr. Peter Wong), Mr. S. Jairaj (for Mr. Rajaish Bajpaee), Mr. Samson Lok (for Mr. TIAN Zhongshan) and Capt. Y.C. Yu (for Capt. C.M. Yu).

#### 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 27<sup>th</sup> Meeting held at 2:30 p.m. on 3 November 2005

3. The minutes of the 27<sup>th</sup> meeting held on 3 November 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 the Intersessional Meeting of COMSAR Working Group on long range identification and tracking (LRIT) conducted from 27 February to 3 March 2006 completed 14 tasks of technical works assigned by MSC 80. However, two issues relating to LRIT system architecture and the cost of LRIT information remained unresolved. At the COMSAR 10 meeting, it was agreed that the LRIT system architecture should consist of a number of LRIT Data Centres, which might be established on either national, regional, co-operative, or international basis. He tabled a diagram showing the LRIT system architecture for members' reference. He continued that Hong Kong would likely opt for an international LRIT data centre for which a number of service providers would be available in the market. MD would in due course need to identify which would be the best arrangements to provide the LRIT service. After the relevant decision had been made, MD would issue instruction to the Hong Kong registered ships to advise them to transmit the LRIT information to the selected data centre.
- 5. Mr. H.K. Leung continued that there would be a data distribution plan in the LRIT system. This plan, which would be established by IMO, would also include a list of

search and rescue service centres that were entitled to receive LRIT information. There would also be contract documents governing the release of LRIT information by service providers. The system architecture would also consist of an international LRIT data exchange which would be a commercial network to connect the system with the data users via the internet.

- 6. The Chairman supplemented that MD was still studying what benefits it could get from the use of the system. He opined that MD basically would not need LRIT information unless there was an emergency arising from a security incident for which a ship should be tracked. He added that the LRIT system would also be useful for SAR services. However, a search and rescue centre could only get information from the LRIT system when a ship was reported in distress or missing. He continued that the MSC meeting next month would decide whether to adopt the relevant amendments to SOLAS. If adopted, he expected that the requirement for LRIT would be implemented by 2010. He added that any LRIT information provided from ships would not incur any cost to the ship owners. Mr. H.K. Leung mentioned that only users who received LRIT information from the data centres would need to pay the charges. However, the level of such charges was not known yet as many international service providers had not indicated how the LRIT would be charged.
- 7. In reply to an enquiry from Mr. W. Zhou on whether any special shipborne equipment for LRIT would need to be installed, the Chairman said that if a ship had been installed with an Inmarsat C, no additional equipment would be needed for the LRIT. However, for those ships without the installation of Inmarsat C, the GMDSS or Inmarsat systems on board might need to be modified to meet the LRIT requirements.
- 8. Mr. A.D. Mishra enquired whether LRIT would require a back up system. The Chairman replied that like many other navigational aid equipment, the proposed SOLAS amendments did not stipulate the requirement for a stand by system. In the event of failure of the LRIT equipment, it should be reported immediately to the relevant authorities by the ships.
- 9. The Chairman mentioned that some ship managers recently expressed concern that the instruction issued by MD on how to comply with the requirement on drills and exercises under the ISPS Code was not practicable. In view of the comments, MD had reviewed the issue. Referring to the consultation paper SCC/124, Mr. H.K. Leung mentioned that under Regulation 13 of the ISPS Code, it was stipulated that drills should be carried out at appropriate intervals to ensure effective implementation of the ship

security plan, and the company security officer (CSO) should participate in exercises at appropriate intervals to ensure effective co-ordination and implementation of ship security plans. To meet the above requirements, MD had therefore proposed that drills should be carried out on every Hong Kong registered ships at least once every three months. In addition, in cases where more than 25% of the ship's personnel was changed at any one time, a drill should be conducted within one week of the change. Regarding the need for CSOs to discharge their duties effectively, it was proposed that a CSO should organize at least one ship-shore security exercise with one of their ships in a year. However, since Part A of the ISPS Code did not mention that every ship should be involved in a ship-shore exercise, it would be entirely up to the concerned shipping company or the CSO to decide which ship should conduct the exercise and whether the exercise should be conducted on the rest of their ships.

- 10. The Chairman supplemented that drills were different from exercises. Drills related to a ship and had to be carried on board. The record of the drills would be checked in an ISPS audit. As for exercises, the purpose of which was to ensure the CSO would be familiar with his role in taking the response action to coordinate with different parties in the event of a security incident. He stressed that MD would not impose any measures above the international requirements without good justification and all measures mentioned above were practicable and reasonable.
- 11. The Chairman further mentioned that at present, it would be difficult to check the competence of the CSO during an ISPS audit. However, if the requirements of ISM were extended to cover the security matters, the competence of the CSOs along with any record of their participation in the ship-shore exercise would be checked during the ISM company audit. It was the responsibility of the ship owners to ensure their CSOs know how to discharge effectively the relevant duties.
- 12. Mr. Anil Arora enquired whether an alternate or deputy CSO should be involved in the annual ship-shore exercise. Mr. W. Zhou also enquired whether the regional security officers which their company had should participate in the annual ship-shore exercise. The Chairman replied that if a company had more than one CSO, it was important that the minimum requirements of the ISPS Code should be met to ensure all its CSO know how to deal with the situation if there was a security incident on one of its ships. Mr. Arthur Bowring suggested that every CSO should participate in the annual ship-shore exercise. For companies having deputy CSOs or other security arrangement, it should be recommended that these personnel should also take part in the annual exercise.

The Chairman agreed with the proposal and said that MD would issue instruction to the ship owners.

#### Agenda Item 4 - New SOLAS Amendments

- 13. Mr. H.M. Tung said the consultation paper SCC/122 on proposed amendments to Merchant Shipping regulations to implement the SOLAS amendments was forwarded to members in March 2006. As introduced at the last SCC meeting, these SOLAS amendments were adopted by IMO in resolution MSC.194(80) in May 2005. The resolution contained two sets of amendments, one in Annex 1 which would come into force on 1 January 2007 and the other in Annex 2 which would enter into force on 1 January 2009. The amendments involved chapters II-1, II-2, VI, IX, XI-1, XI-2 and the Appendix of the SOLAS. It was Hong Kong's obligation to implement the new SOLAS amendments to keep in line with the international requirements. It was therefore proposed that the relevant sub-legislation under the Merchant Shipping (Safety) Ordinance should be amended to implement the SOLAS amendments.
- 14. The Chairman supplemented that MD would have no reason not to implement the new amendments as part of the international requirements. Members should however look for any difficulty in complying with the new requirements so that MD's attention would be drawn and the problems would be resolved.
- 15. Mr. Arthur Bowring mentioned that HKSOA supported the proposal to amend the relevant Merchant Shipping regulations. However, he had a comment on the wording "resolution which is expected to enter into force" used in the consultation paper. He suggested it would be better to use wording "resolution which will enter into force unless a sufficient number of Contracting Governments object the amendments" so that there would be no question about the entering into force of the relevant amendments. The Chairman agreed with the suggestion.
- 16. Regarding the use of "contract signing date" in SOLAS as suggested by Mr. Arthur Bowring at the last SCC meeting, the Chairman mentioned that the issue had been discussed in IMO. IMO found that if either 'date of construction/keel laid date" or "ship contract date" was used as the only criterion, some ship owners might take advantage to avoid compliance with certain new requirements by entering into a ship building contract at an earlier date but delaying the construction of the vessel for a long time. IMO concluded therefore that all three criteria, namely 'date of construction/keel laid date", "ship contract date" and the "ship delivery date" should be used to govern compliance

with new requirements by newbuildings. Indeed, all three criteria had been adopted for the construction of ships under the new annexes of MARPOL.

Agenda Item 5 - Implementation of MARPOL Annex 1 Amendment (Regulations for the Prevention of Pollution by Oil), 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)

- 17. Mr. C.H. Tso mentioned that the existing sub-legislation relating to MARPOL Annex I in Cap. 413 A would be amended. The amendments involved designation of West European waters as special areas, intact stability for double hull tankers, harmonization of survey and certification, new requirements for product carriers, and further requirements for double hull tankers and banning the carriage of HGO by single hull tankers. Currently, the law draughtsman was working on the amendments to the sub-legislation and the amendments would likely be ready for submission to the LegCo in September 2006.
- 18. Mr. C.H. Tso also mentioned that everything was in place for MARPOL Annex IV to be extended to HKSAR. It appeared that it would still take some time before the Mainland was ready to implement Annex IV. When the Mainland was ready, China would communicate to IMO to extend the Annex to China including the 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.
- 19. Mr. C.H. Tso stated that a new piece of sub-legislation would be put in place to implement the requirements of MARPOL Annex VI in Hong Kong and on Hong Kong registered ships. The sub-legislation was being drafted by the law draughtsman and would be ready for submission to LegCo in September 2006.
- 20. Regarding the paper which Hong Kong submitted to the IMO proposing reconsideration of the unified interpretation which would allow old incinerators not meeting the latest performance standards to be used without any control on ships, the Chairman said that although there were supports from Sweden, Denmark and Norway, many countries did not support Hong Kong's proposal. These countries argued that the intent of Annex VI was for application to installations after 1 January 2000 on ships, and it would not govern those incinerators installed before 1 January 2000. After re-study of the issue, MD still considered that the unified interpretation of IMO was not acceptable.

He continued that if there were no performance and operational standards for incinerators installed before 2000, it would mean any substances could be disposed of by incineration by any means without control. If these not-up-to-standard incinerators were allowed to be operated in the waters of Hong Kong, it would cause unacceptable air pollutions. Therefore, similar to the approach taken by a number of European countries, Hong Kong would not allow any ships within the waters of Hong Kong to operate any incinerators unless the operations could fully meet the Annex VI requirements. Mr. C.H. Tso mentioned that MD had consulted EPD on the proposal and had their agreement to ban the operation of pre-2000 incinerators in Hong Kong waters. MD would issue a relevant notice in due course.

- Mr. Anil Arora commented that the emissions from the engines on board ships would also cause pollution and should be controlled. The Chairman responded that there were certain requirements in Annex VI governing the design of engines to reduce air pollution. However, he opined that if engines were not originally built for such purpose, it would not be easy to modify them to meet the requirements of Annex VI. Mr. Arthur Bowring commented that air pollution was not only caused by ships but also produced from land. Until there was effective control of emissions from shore, only tackling the air pollution from ships might not be enough.
- 22. In response to an enquiry from Mr. Arthur Bowring on how long it would take to implement the sub-legislation relating to Annex VI, the Chairman said that the legislative process was basically outside the control of MD. The policy bureau EDLB would decide when the sub-legislation would be submitted to LegCo. He continued that for every piece of sub-legislation, MD would prepare the relevant draft drafting instructions 9 months before the entry into force date of the new requirements to meet the performance pledge. Mr. Arthur Bowring mentioned that ICS had introduced "black blobs" or negative performance indicators to assess the performance of flag States. Under such system, the more international requirements which were not ratified in time, the more black blobs or the worse performance flag States would have.
- 23. The Chairman mentioned that the backlog of legislative work for implementation of international requirements would need to be cleared up. MD was in fact fully aware of the undesirable situation and, in view of the likelihood of the IMO Member State Audit Scheme becoming mandatory in a few years' time, was working hard to alleviate the problem. The Chairman revealed that the use of direct reference approach in making legislation probably might be the only viable solution to reduce the backlog.

24. In reply to an enquiry from Mr. Arthur Bowring on whether Hong Kong needed to wait for China to implement any international requirements, the Chairman said that international conventions might only be extended to Hong Kong through its sovereign State i.e. China. He would reckon only under very exceptional circumstances would China allow an international convention to be extended only to HKSAR but not the Mainland.

## Agenda Item 6- Matters relating to the Hong Kong Shipping Register (HKSR)

#### Agenda Item 6(a) - Hong Kong Shipping Register (HKSR) statistics

- 25. Mr. K.L. Lee mentioned that the statistics of the HKSR were shown in Table 1 to Table 4. Up to present, there were about 30.1m gross tons and 1094 no. of vessels on the HKSR.
- Mr. K.L. Lee tabled at the meeting a table showing the average age of the world merchant fleet up to 2004. He continued that this was the latest information MD could obtain. Based on the table, the average age of the world merchant fleet was 12.3 years. As for the Hong Kong registered ships, the average age was 9.26 years as shown in Table 4. In comparison, the average age of Hong Kong registered ships was about 3 years younger than the world fleet.
- Mr. K.L. Lee mentioned that in relation to the review of the HKSR, a high level working group called Customers Relationship Group had been established. The group would include representatives from HKSR ship owners, managers and shipping related industry to develop measures to enhance the HKSR and to meet the operational needs of the ship owners. The function of the group would be different from the present SCC which mainly focused on technical matters related to maintaining the quality of the HK registered ships. The CR group held its first meeting in March 2006 to discuss, among other things, the issues of effective control of ships under the HKSR and suspension of ship registration.
- 28. Mr. Arthur Bowring enquired on the nature of the complaints and requests of assistance from Hong Kong crew indicated in Table 9 of the HKSR statistics. Mr. K.L. Lee said that he would check and provide the details after the meeting.

#### Agenda Item 6(b) - Flag State Quality Control (FSQC) and Pre-Registry Quality Control (PRQC) Statistics

Referring to the statistics tabled at the meeting, Mr. S.W. Cheung said that there were a total of 46 quality assurance inspections of ships in the year 2005. Of these, 28 were FSQC inspections with 17 of which being carried out after the ships were detained by PSC. As for 2006, up to now, there were 6 FSCQ inspections, 4 of which were carried out after the ships were detained by PSC. For these FSQC inspections, most of the ships were graded less than satisfactory. As regards PRQC, 4 inspections were carried out. Out of these inspections, one ship was graded not satisfactory and required rectification of deficiencies before being allowed for registration in the HKSR.

### Agenda Item 6(c) – Detention of HK Ships and Related Statistics, and Agenda Item 6(d) – Detention of HK Ships on Security Ground

- 30. Referring to the statistics tabled at the meeting on the detention of Hong Kong ships, Mr. S.W. Cheung mentioned that the tables had been simplified by showing the total no. of deficiencies as well as the no. of detainable deficiencies for ships detained by PSC. In 2005, there were a total of 49 ship detentions under various MOUs. Of these, 20 were detained under the Tokyo MOU, 16 were detained under the Paris MOU and the rest were detained under the other MOUs. Although the number of ship detentions under the Tokyo and Paris MOUs increased, the ship detention rate was still low. As for this year, up to now, there were totally 6 ships detained under the Tokyo and Paris MOUs. He also highlighted that there were 2 ships detained in USA, which was alarming because further increase in such detention would affect Hong Kong's status as US Qualship 21. He also mentioned that following the ship detention by PSC, the vessel "Guo Yuan 2" was deregistered from the HKSR on the request of its owner.
- 31. Mr. Samson Lok raised that Table 5 had wrongly named SINOTRANS Shipping Ltd. as the company for "Guo Yuan 2". Mr. S.W. Cheung responded that he would amend the table. Mr. S.W. Cheung also clarified that in Table 5a, the country in which the vessel "Cendana" was detained should be New Zealand instead of Australia.
- 32. In reply to a question from Mr. S. Jairaj on the increase in ship detention in 2005, Mr. K.L. Lee said it was probably because besides Tokyo MOU and Paris MOU, other smaller MOUs were becoming more active in PSC, resulting in more ships being detained. MD had already drawn the attention of the ship owners on the need to upkeep the condition of the vessels to avoid ship detention.

- 33. Mr. K.L. Lee mentioned that he had tabled a list of detained vessels by port States. The table intended to identify whether certain port States targeted Hong Kong registered ships in the PSC. As shown in the table, in 2005, quite a number of Hong Kong registered ships were detained by the port States in Australia while a few other were detained in Hamburg, Germany. Apart from the HK ships' detention rate in these two countries, there appeared no other indications that Hong Kong registered ships were targeted. He added that apart from the stringency of the port States, the frequency of HK ships visiting a particular port was also a factor affecting the ship detention rate.
- Mr. K.L. Lee mentioned that there was suggestion that if a Hong Kong registered ship was detained by PSC, MD should approach the concerned port State to get details of the detention. He clarified that under the PSC regimes, all port States needed to provide detailed information to the concerned flag administration whenever a ship was detained. With regard to the actions taken by Hong Kong when a HK ship was detained, MD would request the concerned ship company or master to provide details of the detention for assessment. If the ship detention was found not justified, MD would appeal to the concerned port State.
- 35. Mr. A.D. Mishra commented that some port States detained a vessel even for deficiency on a small item. The Chairman responded that whatever the deficiency was, if it was a detainable one, the ship might be detained. Mr. S.W. Cheung mentioned that if a ship was found unreasonably detained in PSC inspection, the concerned ship owner should bring up the case to MD for necessary action.
- 36. In response to the comment made by Mr. Anil Arora that some port States might impose special requirements on ship equipment like AIS, the Chairman said that it was the responsibility of the ship owners to ensure that ships would comply with the local requirement of the port States. Mr. K.L. Lee requested that if there was any port States imposing national requirements in addition to the international requirements on ships calling to such ports, MD should be informed so that the information could be promulgated to draw the attention of other companies.
- 37. Mr. S.W. Cheung reported that there were no Hong Kong registered ships detained on security grounds so far this year.

#### Agenda Item 6(e) – HK Ship Accidents and Casualties Statistics

- 38. Mr. H.K. Leung said that casualties statistics for Hong Kong registered ships from October 2005 to March 2006 were presented in Table 10. In the statistics, the year built of the vessel involved in serious accident had been added. Regarding Table 10A, it concerned grounding of a vessel in Chile in October 2005 resulting in serious pollution. The case was under investigation. Table 10B showed the breakdown of 15 accidents by vessel and type during the reporting period. Table 10C related to the annual comparison of accidents by nature. As shown in this table, there had been no increase in accident rate last year as there were a total of 24 accidents in 2005 as compared with 29 cases in 2003 and 28 cases in 2004. Table 10D related to crew accident, which showed that as from October 2005 to March 2006, there were 16 such reported cases. The annual comparison on number of crew casualty was shown in Table 10E. In this regard, there were 23 such cases in 2005, representing a steady accident rate when compared with the past few years.
- 39. In response to an enquiry from Mr. Arthur Bowring on the increase in number of death in 2005, Mr. H.K. Leung said that it was due to the lifeboat accidents, the casualty of which usually involved quite a number of people. Mr. Chairman mentioned that MD would investigate every accident involving death or personal injury and produce investigation reports.
- 40. In response to the enquiries from Mr. Anil Arora and Mr. C. Kocherla on the dissemination of lessons learnt and publication of investigation reports, Mr. H.K. Leung said that for every investigation of accident, MD would post up the summary of the reports including lessons learnt onto the MD website for viewing by public. However, the investigation report would only be released to the public on request provided that there were no legal proceedings pending for a particular accident. The Chairman supplemented that for significant cases of lessons learnt, MD would issue Merchant Shipping Information Notes to draw the attention of the shipping industry to avoid recurrence. He also said that MD would review if full investigation reports should be put on the internet for viewing by public.
- 41. Mr. Anil Arora commented that whenever the investigation reports were released and posted up onto the MD website, MD could inform members by e-mails. Mr. Arthur Bowring proposed that the Really Simple Syndication (RSS) which was a system to check and read website updates could be used. Under the system, one who had subscribed to the RSS would receive notification once there was a new message on the website. The Chairman welcomed the proposal and said that MD would explore the matter.

#### Agenda Item 7 – Proposed Amendments to Freight Container (Safety) Ordinance, Cap. 506

- Mr. H.M. Tung said that a series of consultation had been conducted on the proposed amendments to the Freight Container (Safety) Ordinance, Cap. 506 and its sublegislation. The proposal had obtained support from the Port Operations Committee and the Provisional Local Vessels Advisory Committee. It also obtained support from the Economic Services Panel of the Legislative Council at its meeting in February 2006. Following endorsement by the Policy Committee, the proposal was approved by the Executive Council in March 2006. The relevant Bill was subsequently published in gazette on 13 April 2006 and was then submitted to the Legislative Council on 26 April 2006. It was expected that the Bill would be approved by the Legislative Council within this legislative year.
- 43. The Chairman supplemented that the International Convention for Safe Containers, 1972 was applicable to Hong Kong. Although Hong Kong had the relevant legislation in place for a long time, it could not be put into operation for some reasons. With the proposed amendments, he hoped that the whole legislation for the safety of containers would be put into operation in 2006.

#### Agenda item 8 - Voluntary IMO Member State Audit Scheme

- 44. Mr. W.F. Leung mentioned that at the last SCC Meeting, members expressed support for Hong Kong to volunteer to join the IMO Member State Audit Scheme. Subsequently MD considered the issue further and decided that Hong Kong should join the audit scheme. In fact, the decision to join the audit scheme also obtained policy agreement from the policy bureau EDLB. The present position was that MD had written to Maritime Safety Administration of China to seek their confirmation as to whether Hong Kong might join the audit scheme on its own without waiting until the Mainland and Macau were ready. At the moment, MD was awaiting China's confirmation.
- The Chairman supplemented that MD, having studied its mechanism of running the Hong Kong Shipping Register, was satisfied all the relevant aspects were in good state apart from the backlog in legislation work to give effect to international requirements. Hong Kong however would definitely gain advantages from joining the audit scheme. He also added that Hong Kong and the Mainland were running two separate shipping registers. Although the Mainland might have different views from their perspective, there appeared no need for the two places to join the audit scheme at the

same time.

#### Agenda item 9 - Consolidated Maritime Labour Convention 2006

- 46. Mr. C.H. Tso mentioned that at the 94<sup>th</sup> Maritime Session of the International Labour Convention held on 7-23 February 2006, ILO adopted the consolidated Maritime Labour Convention. Referring to the document SCC/2006/BRIEF 1 tabled at the meeting, he gave an outline of such Convention. He expected that the adopted Convention might take a few years to enter into force internationally.
- 47. Mr. Arthur Bowring mentioned that to bring the Convention entering into force, the appropriate local legislative work should start soon. He also commented that in accordance with the Convention, there should be tripartite consultation among the government, ship owners and seafarers associations before the legislation was enacted. The Chairman responded that MD would carry out the legislative work very soon and agreed that there should be tripartite consultation. He continued that to implement the requirements of the Convention, additional resources might be needed as the requirements involved the issue of maritime labour certificates by administrations. He also mentioned that, although the associated work would mainly be delegated to classification societies, MD would unavoidably be more involved as class inspectors, by their very nature, might not be familiar with social and human aspects of the related work. He also supplemented that the legislative process to implement the Convention would be rather complicated as the proposed legislation would affect a number of other existing legislation. MD would explore if the proposed legislation could be made by using the direct reference approach.
- 48. Mr. Arthur Bowring mentioned that under the Convention, ships were required to have maritime labour certificates on board and these certificates would be subject to inspections in PSC.
- 49. Mr. Arthur Bowring mentioned that HKSOA would hold a seminar on the above Convention on 23 May 2006. He invited members to attend.

### Agenda item 10 - Revised MARPOL Annex I and revised MARPOL Annex II

50. Mr. C.H. Tso mentioned that the revised MARPOL Annex I would enter into force internationally on 1 January 2007. It incorporated the various amendments adopted

since MARPOL entered into force in 1983, including the amended regulation 13G and regulation 13H relating to the phasing out of single hull oil tankers. The other new requirements under the revised Annex I included pump-room double bottom protection; accident oil outflow calculations; access to computerized, shore-based damage stability and residual strength calculation programs; and fuel oil tank protection. He continued that SCC was consulted in 2005 on the proposed implementation of revised Annex I in Hong Kong and had given support to the proposal. DDIs for revising the sub-legislation in relation to Annex I was being prepared and would be submitted to EDLB soon.

- Mr. C.H. Tso also mentioned that regarding the revised MARPOL Annex II, MD had distributed a consultation paper SCC/123 in March 2006. The revised MARPOL Annex II was adopted by IMO in resolution MEPC.118(52) in October 2004. Basically, it included a new four-category categorization systems for noxious liquid substances. The new categories are Category X, Category Y, Category Z and Other Substances. The revised Annex II also included a number of significant changes, e.g. application of stripping performance requirements extended to all products under Chapter 17 of the IBC Code, new certificates and list of products, prohibition on the carriage of non-assessed products, and provisions for Administrations to exempt ships certified to carry certain identified vegetable oils. The revised Annex II would enter into force internationally on 1 January 2007. He invited members to comment on the proposal to implement the revised MARPOL Annex II on Hong Kong registered ships. The Committee expressed no objection to the proposal.
- 52. The Chairman mentioned that MD would use the direct reference approach to amend the relevant legislation to implement the revised Annex I and revised Annex II in order to simplify the legislative processes.

#### Agenda item 11 - Any Other Business

# Agenda item 11(a) — Sludge disposal facilities for product tankers in Hong Kong

53. Mr. Anil Arora mentioned that a product tanker of their company recently came to drydocking in Hong Kong. However, there was no barge available to deliver the product sludge of less than 60°C flash point to the reception facilities for disposal in Hong Kong, which was contrary to the MEPC circular which stated Hong Kong had such facilities. The Chairman responded that the provision of reception facilities in Hong Kong might involve a number of government departments and MD would look into the matter.

#### Agenda item 11(b) - Safety standard of gas carriers

54. Mr. Anil Arora commented that there was disparity in the safety standards between oil tankers and gas carriers in SOLAS. He quoted one case where, under the SOLAS 2000 amendments, an alarm system was required for the pump bearings in the cargo pump room of oil tankers but there was no similar requirement for the cargo compressors installed in the pump room of gas carriers as this was not a requirement under the IGC Code. Abnormalities of the requirements seemed to exist between oil tankers and gas carriers as these two types of vessel should have the same safety standard. The Chairman responded that MD would look into the issue.

### Agenda item 11(c) – Revision of MARPOL Annex VI and the Technical Code

- MRRPOL Annex VI and the Technical Code. At the BLG 10 meeting held in April 2006, the major issues discussed included the concept of introduction of the NOx emission control areas (NECAs), NOx emission reduction on existing engines, further lowering of global sulphur cap and the sulphur limits with SECAs, and the effect of particulate matter (PM) on human health. He added that the revision would have to be completed in 2007.
- 56. The Chairman supplemented that MARPOL Annex VI and the Technical Code would have to be revised because Annex VI had become outdated after taking about 10 years for it to come into force internationally.

#### Agenda item 11(d) - Tenure of the SCC membership

57. The Chairman mentioned that the appointment dates for the tenure of the SCC members varied and this gave rise to different expiry dates as the length of the tenure was normally 2 years. Currently, 9 members had the tenure started on one same date while the rest of the members had different appointment dates. To reduce the administrative work on renewal or re-appointment of members, MD proposed to align the tenures by dividing the members into two groups so that MD would only have to deal with the appointment of each group of members once a year. To cope with the arrangement, the current tenure of certain members would need to be extended beyond the normal 2 years term of office so as to coincide the expiry dates.

- Mr. Arthur Bowring enquired if the Government's 6-year rule would have any effect on the proposed arrangement of tenure. The Chairman replied that there had not been any objection to waive the 6-year rule on the SCC because MD had put into place a points system which determined which top 12 companies would be eligible to have representatives in SCC basing on the tonnage and the no. of ships they had in the Hong Kong Shipping Register. After some discussion, the meeting agreed with the proposal.
- 59. The Chairman further proposed that the representatives from HKSOA and unions, namely the Merchant Navy Officers' Guild Hong Kong and the Hong Kong Seamen's Union should have no definite tenure as their representatives were ex-officio members of the committee. MD would let the organizations themselves decide when to change their representatives. However, when such representatives were changed, MD should be informed. The meeting indicated no objection to the proposal.

#### Agenda item 11(e) - Communication between ship owners and MD

- 60. The Chairman mentioned that MD received complaints on the effectiveness of its communication with the Hong Kong ship owners. He invited members to put forward proposals to enhance communication so that any views or problems the ship owners had could be effectively and efficiently reflected to MD. Meanwhile, he opined that there should be no question of the representativeness of the SCC as this committee comprised representatives from ship owners which constituted almost 50% of the tonnage on the Hong Kong Shipping Register, as well as representatives from HKSOA and the unions. Mr. Arthur Bowring commented that the nature of the complaints was because of lack of consultation arising from two specific incidents in which apparently there had not been any consultation with ship owners before decision was made. However, remedial actions were subsequently taken in these incidents and MD had reviewed the issues. The Chairman appreciated the comments made by Mr. Arthur Bowring. He added that MD always tried to improve its services to the ship owners and would take prompt actions to address any complaint it might receive.
- Mr. Anil Arora enquired which was the most effective way to communicate with MD. He quoted a case that after an e-mail was sent to MD, there was no reply because the receiving e-mail was not immediately checked by those concerned. The Chairman responded that whenever there was enquiry, MD would respond. However, he reminded that any enquiry involving complicated issues should be in written form and MD might need time to reply. Mr. K.L. Lee mentioned that if an enquiry e-mail was sent to an individual officer, there might be a chance that the officer would not be available in

the office. He suggested that, to ensure a prompt reply, enquiry should be sent to the general correspondence e-mail address of the relevant branches/divisions of MD, and followed up with confirmation by phone.

#### Agenda item 11(f) - New office opening hours of MD

62. The Chairman mentioned that to implement the 5-day working week in the Government, as from 1 July 2006, MD would only open 5 days a week and close on Saturday. However, in order not to affect the services to the public, MD would extend the office working hours: opening at 8:30 am and closing at 5:45 pm. He supplemented that MD would maintain a roster for its staff for those services which should also be provided outside the normal office hours. Mr. K.L. Lee mentioned that despite the 5-day working week, any emergency services provided by MD would not be affected.

#### **Close of Meeting**

63. As there was no other business, the meeting closed at 5:00 p.m.