

## Shipping Consultative Committee

### Minutes of the 29<sup>th</sup> Meeting held at 2:30 p.m. on 13 November 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. L.C. Chan OOCL Ltd.  
Capt. Ning Pao Kun COSCO (H.K.) Shipping Co. Ltd.  
Capt. Pradeep Chawla Anglo-Eastern Ship Management Ltd.  
Mr. Anil Arora Unique Shipping (HK) Ltd.  
Mr. Nishant Gulati Fleet Management Ltd.  
Capt. Jay K. Pillai Pacific Basin Shipping (HK) Ltd.  
Mr. Samson Lok SINOTRANS Shipping Ltd.  
Mr. Ashoke Dey Eurasia Group of Companies  
Mr. R. Varghese UNIVAN Ship Management Ltd.  
Mr. Raymond Chan Wah Kwong Shipping Agency Co. Ltd.  
Mr. Bill Amos Johnson Stokes & Master  
Capt. Y.C. Yu 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. Y.M. Cheng Marine Department  
Mr. Y.K. Li Marine Department  
Mr. W.H. Leung Marine Department  
Mr. S.F. Wong Marine Department

Absent with apology : Mr. Jim Nelson  
Mr. TIAN Zhongshan  
Capt. C.A.J. Vanderperre  
Mr. Rajaish Bajpae  
Mr. K.S. Rajvanshy  
Mr. C. Kocherla  
Capt. Francis Li  
Capt. C.M. Yu

1. The Chairman welcomed all present and introduced the newly appointed member, Mr. Anil Arora. He then requested the Secretary to introduce those participants who stood in for the SCC members: R. Varghese (for Capt. C.A.J. Vanderperre), Mr. Ashoke Dey (for Mr. Rajaish Bajpae), Mr. Nishant Gulati (for Mr. K.S. Rajvanshy), Capt. Jay K. Pillai (for Mr. C. Kocherla), 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 28<sup>th</sup> Meeting held at 2:30 p.m. on 28 April 2006**

3. The minutes of the 28<sup>th</sup> meeting held on 28 April 2006 were confirmed with no amendment.

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

4. Mr. Y.K. Li mentioned that IMO had developed new regulations together with associated performance standards and functional requirements for the LRIT. The new regulations were adopted by Resolution MSC.202(81) and included in SOLAS chapter V on Safety of Navigation, through which LRIT would be introduced as a mandatory requirement for the following ships on international voyages:

- Passenger ships, including high-speed craft;
- Cargo ships, including high-speed craft, of 300 gross tonnage and upwards; and
- Mobile offshore drilling units.

The new LRIT regulations would come into force internationally on 1 January 2008. However, there would be a phased-in implementation schedule for the installation of LRIT on ships as follows:

- a) ships constructed on or after 31 December 2008 should be fitted with an approved LRIT;

- b) ships constructed before 31 December 2008 should be fitted with an approved LRIT:
- not later than the first survey of the radio installation after 31 December 2008 if the ships operate in sea areas of A1 and A2 or A1, A2 and A3.
  - not later than the first survey of radio installation after 1 July 2009 if the ships operate in sea areas of A1, A2, A3 and A4; and
- c) Ships, irrespective of the date of construction, fitted with an automatic identification system and operated exclusively within sea area A1 should not be required to fit with LRIT.

Under the new LRIT requirements, 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 other Inmarsat systems on board might need to be modified to meet the LRIT requirements. An ad hoc Working Group formed by IMO had developed the following LRIT functional specifications and architecture design for further discussion and approval by MSC 82 to be held in November 2006:

- Draft technical specifications for the International LRIT Data Exchange and Data Centres;
- Draft technical specifications for communications within the LRIT System network;
- Draft protocols for the development of the test for the LRIT Systems; and
- Draft guidance on setting up and maintaining the Data Distribution Plan

The Chairman said that HKSAR would as far as possible keep in line with the Mainland's position in the implementation of LRIT requirements. He added that MSA, Beijing indicated that China would like to develop their own national LRIT Data centre.

5. The Chairman supplemented that the LRIT Data Centre could be established either as a national or regional centre. Individual Administrations might choose to subscribe to the international data centre that would be set up by IMO. The forthcoming MSC meeting would decide on how the international data exchanges should be set up, operated and connected with other components in the system. The LRIT would be a self-monitoring system that would alert the concerned data centre in the event of malfunction of instruments on board ships. At this stage, it appeared that MD would make very little use of the LRIT data except when perhaps a security alert was received from a Hong

Kong registered ship. However, MD would see if LRIT could be used to track down the locations of vessels it intended to target, such as substandard ships or ships trying to avoid inspections. Furthermore, LRIT might be useful for environmental protection purpose by tracking ships in pollution incidents.

6. The Chairman continued that there would be a data distribution plan in the LRIT system. When the LRIT system was set up, individual country would have to agree on the data exchange plan for distributing LRIT information relating to their ships. MD would follow the data distribution system of the Mainland having regard to the relevant SOLAS requirements, i.e. a flag State might track the position of their ships anywhere in the world, a port State might track a ship when it had declared its intention to call the port. However, a flag State might decide how far away its ships might be tracked by a coastal State when the ships were within 1000 nautical miles from the coast of that State.

7. Mr. Arthur Bowring enquired on how MD would respond to request from a third country for information on a particular ship. The Chairman replied that the entitlement of receiving the LRIT information would be based on the SOLAS requirements. If a third country requested for the LRIT information, such information would be automatically forwarded unless the data distribution plan had been set for not allowing such transmission. Mr. K.L. Lee mentioned that according to SOLAS, flag States could only refuse providing LRIT data to a coastal State but not a port State. The Chairman mentioned that the LRIT data exchange would involve the designation of a coordinator to oversee its operation including keeping a journal for the use of data for fee charging purposes.

8. In reply to an enquiry from Mr. Arthur Bowring on whether Hong Kong had to pay fees for the LRIT Data Centre of the Mainland, the Chairman said that the LRIT system would be operated on the users pay principle. However, it was not yet known how the installation costs for the data centres should be shared. If Hong Kong was to become part of the national data centre to be set up by the Mainland, MD might have to share the installation costs but ship owners would not be involved. He expected that the cost implication of the LRIT system would be looked at by IMO at the forthcoming MSC meeting.

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

9. Mr. H.M. Tung mentioned that the Maritime Safety Committee of IMO adopted three resolutions in May 2006 to amend SOLAS requirements. Referring to the document SCC 29/2006/BRIEF 1 tabled at the meeting, he gave an outline of such amendments.

10. The Chairman supplemented that for the LRIT system, Administrations were requested to decide on setting up of a data center by mid 2008 and start the trial run around October 2008. Such arrangement would ensure LRIT system to start operation from 1 January 2009. Regarding amendment to SOLAS Chapter 1 relating to interval of ship bottom inspections, he expected that it would take a long time to get two-thirds of the Contracting Governments to accept the amendment. However, as Administrations were urged to implement this amendment in the earliest possible date, MD would recommend ship owners to carry out two inspections of ship bottom at intervals not exceeding 36 months.

11. Mr. Anil Arora mentioned that the new requirement for ship bottom inspections already existed under the rules of almost all the classification societies. He enquired whether extension of ship bottom survey interval would involve the flag States. The Chairman replied that MD would not be involved for such extension as the new requirement was not mandatory at the moment. In response to an enquiry from Mr. Ashoke Dey on the circumstances under which exemption of the aforementioned requirement would be allowed, the Chairman replied that there might be situation that ship owners would have operational difficulties to arrange for ship bottom inspections at the required intervals. However, it was premature to specify what such circumstances would be. He expected that IMO would issue guidelines on this matter in due course.

12. Referring to the amendments to the SOLAS regulation III/7 in relation to infant lifejackets on passenger ships, Mr. Anil Arora wondered if infant immersion suits were available on the market. The Chairman replied that under the amended regulations, only infant life jackets would be required for passenger ships but not immersion suits, which only applied to cargo ships.

**Agenda Item 5 - Implementation of revised MARPOL Annex I (Regulations for the prevention of pollution by oil) and revised MARPOL Annex II (Regulations for the control of pollution by noxious liquid substances in bulk)**

13. Mr. Y.M. Cheng mentioned that the Draft Drafting Instructions (DDI) for the Merchant Shipping (Prevention of Oil Pollution) (Revised) Regulation, Chapter 413A, to

give effect to the revised Annex I to MARPOL was submitted to the policy bureau EDLB and copied to Department of Justice in May 2006. D of J gave comments on the DDI in September 2006 and MD replied to their comments subsequently. He added that this Committee was consulted in October 2005 for the amendments to the Merchant Shipping Regulation in relation to the revised Annex I . These amendments related to Reg. 22 on pump-room double bottom for oil tankers, Reg. 23 on accidental oil outflow performance applicable to oil tankers and Reg. 37.4 on shipboard oil pollution emergency plan. The relevant tankers would need to have prompt access to computerized, shore-based damage stability and residual structural strength calculation programs.

14. Mr. Y.M. Cheng continued that regarding Regulation 37.4 on shipboard oil pollution emergency plan, MEPC 55 concurred with the views expressed by IACS on the criteria relating to liability issues and developed the following guidance:

- verification that a contract existed on board linking the ship with a shore-based service provider with access to an up-to-date computer model of the ship and that a copy was kept on board;
- acquisition of a statement from the shore-based service provider indicating that proven computer hardware and software with trained personnel were available and capable of providing computer calculation capabilities as per abovementioned regulation; and
- verification that the master had means to access the shore-based firm at any time.

As the amendments would also affect the format of the oil record book for cargo ships and oil tankers as from 1.1.2007, MD had prepared the amended pages of the record books for inserting into the existing oil record books. In the meantime, MD had informed the Government Printer to publish the new version of the oil record books for use in 2007.

15. The Chairman supplemented that although the legislation to give effect to the revised MARPOL Annex I was not yet ready, he requested ship owners to take every effort to comply with the new requirements which would come into effect on 1 January 2007.

16. Regarding the revised MARPOL Annex II, Mr. Y.M. Cheng mentioned that the DDI to amend the Merchant Shipping (Control of pollution by noxious liquid substances in bulk) Regulation, Chapter 413B was submitted to EDLB and copied to D of Justice in

May 2006. MD had responded to the feedback of D of Justice on the DDI and their further comments were awaited.

17. Regarding the issue raised at the last meeting on reception facilities for slops from products tankers in Hong Kong, Mr. Y.M. Cheng said that in Hong Kong, there were 3 dumb steel slops barges used for collection of wastes of MARPOL Annexes I and II from ships for delivery to the Chemical Waste Treatment Facilities for disposal. According to Environmental Protection Department, which was responsible for the administration of the treatment centre, one of these 3 barges would be converted to carry dangerous goods of class 1, category 5, with a flash point below 23 degree C. However the conversion work was delayed as the barge contractor had to maintain the disposal services in Hong Kong when one of their 3 barges was in dry dock for surveys. It was unlikely that the barge would be ready to meet the waste disposal requirements effective from 1.1.2007. However, both MD and EPD would work out a solution should there be any need to dispose of low flash point wastes during the delay period.

18. In response to an enquiry from Mr. Arthur Bowring on the number of product carriers coming into Hong Kong to discharge slops, Mr. Y.M. Cheng said that Exxon Mobil and Shell were the two oil companies having product tankers coming into Hong Kong on regular basis. The frequency would depend on the stock level of that product and the slops discharge quantity was about 8 to 10 tonnes each time as told by Exxon Mobil. Mr. Anil Arora commented that it was imperative for Hong Kong to have a barge to discharge slops for product tankers. He mentioned that in the last case when their product tanker came to drydocking in Hong Kong, owing to the lack of barge facilities, they had to submit a risk assessment plan to MD and inerted the relevant tanks before drydocking work could be carried out. The Chairman agreed that such an arrangement was not a long term solution. He urged that MD should liaise with EPD to put more pressure on the barge contractor for early completion of the conversion work for collection of the slops. In the meantime, MD would deal with the request for disposal of slops on a case by case basis. He stressed that MD would take all necessary precautions to ensure that slops would be properly disposed of under the new requirements of Annex II.

19. In reply to an enquiry from Mr. Anil Arora on the categorization of substances, the Chairman said that if products categorized as noxious liquid substances under Annex II were mixed with substances classified under Annex I, the ships had to comply with both the requirements of MARPOL Annex I and Annex II.

20. The Chairman mentioned that similar to Annex I, the legislation to give effect to the revised Annex II was not yet ready. He stated that MD managed to maintain the Hong Kong registered ships in high quality despite the fact there was always a large backlog of legislation in giving effect to international requirements. He appreciated the co-operation of the ship owners in this respect.

**Agenda Item 6 - 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)**

21. Mr. Y.M. Cheng mentioned that at MEPC 55, the delegates from China announced that China would inform IMO very soon the ratification of Annex IV and its extension to Hong Kong and Macao. MD was awaiting the formal communication from the Mainland. The Chairman added that the legislation to give effect to Annex IV was already in place. After MD was informed by the Mainland on the date which Annex IV would be extended to Hong Kong, a Government Notice would be prepared to announce when the relevant legislation would come into force in Hong Kong.

22. Mr. Arthur Bowring enquired why MD had to wait for China's ratification of Annex IV before such Convention was extended to Hong Kong. The Chairman replied that as Hong Kong was not a sovereignty State, the acceptance of any international requirements for extending to Hong Kong would have to be ratified by the sovereignty State China. Regarding whether MD could bring the legislation into force while awaiting Mainland's ratification, Mr. K.L. Lee said that MD could not do so because if Hong Kong implemented the requirements of a Convention without ratification, such requirements could only be applied to the Hong Kong registered ships but not be enforced on foreign ships in the waters of Hong Kong. The Chairman added that vessels coming into Hong Kong waters would need to comply with those international requirements applicable to Hong Kong. The implementation of the international requirements in Hong Kong could however only be made after the acceptance of the requirements had been communicated to IMO, which would then promulgate the information to its member States.

23. In response to an enquiry from Mr. Bill Amos on what MD would do on ships flying the flag of a State which was not a party to a Convention, the Chairman said that if the particular Convention had already been extended to Hong Kong, such ships entering the waters of Hong Kong still had to comply with the requirements of that Convention.



There would be no favourable treatment to any ship flying the flag of a State which was not a party to the Convention.

24. Mr. Y.M. Cheng mentioned that the preparation of the proposed Merchant Shipping (Prevention of Air Pollution) Regulation to give effect to MARPOL Annex VI was in progress. Currently, the proposal was being reviewed by D of Justice. He continued that a MD policy paper on the implementation of Annex VI to local vessels was being circulated. The paper had also been sent to MSA, Beijing as well as the Guangdong MSA for comments.

25. The Chairman said that making the legislation to give effect to Annex VI was a complicated process since it involved the use of direct reference approach. It was expected that the legislation would be ready by the beginning of 2007. He continued that the requirements of Annex VI applicable to internationally trading ships would also apply to local vessels except there would be some flexibility allowing certain deviations from the compliance with respect to the certification systems used for local vessels. He highlighted that the Mainland had quite a different interpretation regarding the application of Annex VI as they considered that the requirements of Annex VI should not need to apply to vessels engaged on domestic trade. Such interpretation would have impact on Hong Kong as the proposed legislation for Annex VI in Hong Kong would affect PRC vessels trading between Hong Kong and the Mainland. Nevertheless, MD would discuss with the Chinese authorities to resolve the issue.

26. In response to an enquiry from Mr. Arthur Bowring on the effect of the requirements of Annex VI on local vessels, the Chairman said that as earlier mentioned all the Annex VI requirements applicable to international trading vessels would have to be imposed on local vessels. However, the major problem associated with application of such requirements to local vessels was the compliance with the NO<sub>x</sub> emission limits and certification requirements regarding fuel used. Annex VI required that engines installed on vessels after 1 January 2000 to meet its NO<sub>x</sub> emission standards but allowed Administrations to relax such requirement to the date when Annex VI came in to force internationally (i.e. 19.5.2005) on engines installed on vessels trading locally. Some local operators might even have difficulties to comply with the relaxed deadline, but MD would in any case had to come up with measures to monitor the emission standards on local vessels to ensure improvement in reducing air pollution in Hong Kong.

27. Mr. Anil Arora enquired whether MD would exercise port State control inspection to enforce MARPOL Annex VI if Hong Kong had not ratified such

Convention. The Chairman said that unless Annex VI had been accepted by and extended to Hong Kong, the port State control inspection in Hong Kong would not impose these requirements on ships calling the port of Hong Kong. Mr. K.L. Lee mentioned that according to Tokyo MOU and Paris MOU, a country which had not ratified a Convention should not exercise PSC inspection relating to the Convention. For country which had its own special national requirements, it could impose such requirements on ships calling its port. However, any non-compliance leading to the detention of the ships should be outside the scope of PSC regime and not related to any MOUs.

28. In reply to an enquiry from Mr. Arthur Bowring on MSA's position in ratifying Conventions for Hong Kong, the Chairman said that MSA indicated a couple of times recently that it would like Hong Kong and Mainland to accept new international Convention or requirements at the same time.

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

29. Mr. H.M. Tung said that the Freight Container (Safety)(Amendment) Bill was submitted to LegCo on 26 April 2006 and subsequently approved on 14 June 2006. Cap. 506 and its 4 pieces of sub-legislation with the relevant amendments entered into force on 10 November 2006. Five classification societies including ABS, BV, CCS, KRS and RINA had accepted the appointment as Authorized Persons to act on behalf of MD to approve containers designs.

30. The Chairman supplemented that the legislation was to give effect to the International Convention for Safe Containers, 1972. The purposes of the regulations were to ensure containers were properly designed, constructed, used and maintained. He added that containers to be registered in Hong Kong could be built any where but had to be approved by Hong Kong. However, it would be entirely up to the manufacturers to decide which Administration the containers should be registered for. Mr. K.L. Lee mentioned that any company intended to register its containers in Hong Kong should approach the 5 aforementioned classification societies for approval of container design. For approval of examination procedures in relation to containers, application should be made to the Director of Marine. The list of documents required for such approval was gazetted on 10 November 2006.

31. In response to an enquiry from Mr. Bill Amos on enforcement of the new legislation, Mr. K.L. Lee replied that under the new legislation, MD was empowered to

inspect all freight containers within Hong Kong. MD would carry out spot checks on these containers. He drew attention that the inspection was not to inspect the design of the containers but mainly to check the approval plates attached to the containers and the external conditions of the containers.

### **Agenda item 8 – Consolidated Maritime Labour Convention 2006**

32. Mr. Y.M. Cheng mentioned that MD was in the process of forming a Tripartite Working Group in Hong Kong for the implementation of the consolidated Maritime Labour Convention 2006. The Working Group would focus on how to implement the Convention especially on Section 5 relating to inspection of ships regarding seafarers' working conditions, conditions of employment and welfare etc. The implementation would also involve the declaration of Maritime Labour Convention Compliance. MD would distribute soon invitation letters for nominating representatives to join the Working Group. He reported that on 30<sup>th</sup> and 31<sup>th</sup> October 2006, he and Mr. S.F. Wong attended an International Seminar on the Maritime Labour Convention 2006 in Japan. The seminar provided opportunities for the ASEAN countries to clarify on the standards of compliance with the Convention. He continued that according to the Convention, at least 30 countries representing 33% of the world gross tonnage would need to ratify before the Convention could come into force. Regarding the progress of ratification, Liberia having 9% of the world gross tonnage ratified the Convention in June 2006. Philippines would ratify by the end of 2007. There were indications that European Union which represented 25 countries with approximately 25% of the world gross tonnage would accept the convention in about a year's time. MD would monitor the situation closely and start the preparatory work without delay.

33. The Chairman supplemented that the Tripartite Working Group would consist of representatives from the government, ship owners and seafarers associations. After studying the current legislation and the requirements of the Convention, MD would draw up a consultation plan and time table in the preparation of the legislation to give effect to the Convention in Hong Kong. He expected the implementation of the new Convention would take 2 to 3 years. China had been requested to keep MD informed of progress made and invite Hong Kong to join any consultation group in the Mainland relating to the implementation of this Convention. It was expected that the Mainland and Hong Kong would accept this Convention at the same time.

34. Mr. Arthur Bowring mentioned that he had also attended the 2-day Pan ASEAN meeting on the new ILO convention in Japan. It appeared that some governments might

not have much understanding on the new Convention and lack measures to regulate the social security protection for seafarers. He informed that there would be a number of technical co-operation exercises taking place around the world. He said he had obtained from ILO 200 copies of CD promulgating the Convention for distribution on request.

35. In response to an enquiry from Mr. Anil Arora on implementation of the new Convention, the Chairman said that as earlier mentioned, MD was studying the difference between its current legislation and the new requirements of the consolidated Convention. It would not have too much difficulties for Hong Kong to implement the Convention because Hong Kong had a good record as far as protection of seafarers was concerned. However, there would be a major problem relating to Section 5 of the new Convention regarding issuing of certification under the Convention. Although the associated work of the new Convention would mainly be delegated to the classification societies, MD would need to exercise close control to ensure compliance with requirements.

36. Mr. Anil Arora enquired on the background of the present legislation requiring separate offices for deck and engineer officers. Mr. K.L. Lee replied that such requirements were based on ILO Convention 133. However, in view of the operational difficulty for ship owners to comply with such requirements, it was MD's practice to grant exemption for this requirement and accept a common office for both deck and engineer officers on board Hong Kong registered ships.

## **Agenda Item 9 – Matters relating to the Hong Kong Shipping Register (HKSR)**

### **Agenda Item 9(a) – Hong Kong Shipping Register (HKSR) statistics**

37. Mr. K.L. Lee mentioned that in mid 2006, there were about 30.6 m gross tons and 1104 no. of vessels on the HKSR. On 24.10.2006, HKSR crossed 32 m gross tons. It was estimated that by the end of 2006, the tonnage of the HKSR would reach 32.5 m gross tons.

38. Mr. S.F. Wong gave an outline of the HKSR statistics up to June 2006 tabled at the meeting. By June 2006, the gross tonnage of OGV was 30.51 m tons and the number of such vessels was 892. As regards non-OGV, the gross tonnage was 0.11 m tons and the number of such vessels was 212. The composition of the HKSR was bulk carriers (57%), tankers (21%), containers (14%), general cargo (5%) and others (3%). Regarding the registration and deregistration of vessels, the number of newly registered ships was more

than the de-registered ships. As for the average ship age of the HKSR, it was 10.31 years, which was quite steady when compared with the figures in 2003 to 2005. Regarding distribution of crew, the total no. of seafarers working on Hong Kong registered ships was 19310 with the largest nationality from PRC (60%) and the second largest from Philippines. As regards complaints or request for assistance from seafarers, there was no such incidents reported.

39. Capt. Pradeep Chawla expressed concern on the falling English standard of seafarers graduated from the 3-year degree programme in China given PRC seafarers had formed a relatively large portion of employment on the Hong Kong registered ships. The Chairman requested the Shipping Registry and Seafarers' Branch to draw the attention of MSA, Beijing on this issue.

[Post-meeting Note: As confirmed with MSA Beijing, there are 3 years diploma course and 4 years degree course for China seafarers. Entry requirement for 3 years course is much lower and the training period is shorter as compared with 4 years degree course. However, if the shipowner/ship manager wish to employ the seafarers with better English level, they should select from the 4 years degree course students especially at the main maritime universities in PRC i.e. Dalian Maritime University and Shanghai Maritime University.]

40. Referring to the statistical table on the distribution of crew nationality of Hong Kong registered ships, the Chairman said that in addition to the actual figures already there, the percentages of the different crew nationality should be added for easy reference. He requested the Shipping Registry and Seafarers' Branch to modify the table.

41. Referring to the statistics on complaints from seafarers, Mr. Bill Amos enquired whether crew working on the Hong Kong registered ships were aware of the right for complaints. S.F. Wong replied that seafarers working on Hong Kong registered ships were made known of their right for complaints by the promulgation of the MSIN issued in 2004. He added that the right of complaints for seafarers was also given in the legislation Cap. 478. Mr. K.L. Lee supplemented that every ship owner of the Hong Kong registered ships was required to prepare a set of grievance procedures for guidance of seafarers who wished to express their grievance. Mr. Arthur Bowring emphasized on the importance of the complaint procedures. He said when a PSC officer came on board a ship and if the seafarers made complaints, the PSC officer would check whether the seafarers had followed the flag State complaint procedures. He encouraged seafarers on Hong Kong registered ships to follow the complaint procedures when making complaints.

42. Also referring to statistics on complaints from seafarers, Mr. K.Y. Ting clarified that the Hong Kong Seafarers' Unions had been approached on a few occasions by the seafarers working on the Hong Kong registered ships or their families, relating to issue of compensations for personal injuries/fatal accidents. The Chairman wondered why such information had not been passed to MD. He requested the Shipping Registry and Seafarers' Branch to establish a communication channel with the seamen's union to collate information on complaints or requests for assistance received from seafarers working on the Hong Kong registered ships.

43. In reply to a question from Mr. Anil Arora, the Chairman said that the Employment Ordinance did not normally apply to the Hong Kong registered ships. However, the Employees' Compensation Ordinance was applicable to seafarers working on Hong Kong registered ships.

#### **Agenda Item 9(b) – Flag State Quality Control (FSQC) and Pre-Registry Quality Control (PRQC) Statistics**

44. Referring to the statistics tabled at the meeting, Mr. W.H. Leung said that up to October this year, there were a total of 34 FSQC inspections of ships with 10 of which being carried out after the ships were detained by PSC. For these FSQC inspections, 62% of the ships were graded satisfactory. As regards PRQC, 6 inspections were carried out and out of these inspections, all ships were graded satisfactory.

45. Mr. Arthur Bowring enquired whether Hong Kong as a flag Administration would detain its own ships which were found of low safety standards. The Chairman said that unlike PSC inspections, ships would not be detained under the FSQC system. As far as quality control was concerned, MD carried out FSQC inspections based on a point system to ensure the ships were up to the standards. If the ships were found with any major non-compliance, the shipowners would have to rectify the relevant deficiencies without delay. Mr. K.L. Lee mentioned that in the past MD had withdrawn or withheld the relevant certificates for serious non-compliance found during the FSQC inspections.

46. Referring to Table 7, Mr. Anil Arora enquired whether the remark for "Detained" was for ship detention before or after the FSQC inspection. Mr. W.H. Leung replied that it was for ship detained before the FSQC inspection. In the future statistics, he would insert the date of the detention for easy reference.

47. Mr. W.H. Leung mentioned that up to 31 October 2006, there were 33 company audits conducted.

**Agenda Item 9(c) – Detention of HK Ships and Related Statistics, and  
Agenda Item 9(d) – Detention of HK Ships on Security Ground**

48. Referring to Table 5a on the detention of Hong Kong ships, Mr. W.H. Leung mentioned that MD had lodged appeals for 8 ships detained by the various MOUs. Out of these, 5 ships were subsequently removed from the detention lists and one had been rejected while two were pending the result. From January to October 2006, there were a total of 28 ship detentions under various MOUs. Of these, 10 were detained under the Tokyo MOU, 5 were detained under the Paris MOU and the rest were detained under the other MOUs. The number of ship detention under the Tokyo and Paris MOUs had considerably decreased, contributing to a reduction of some 40% on the total number of ship detention in 2006 as compared with last year. Referring to Table 5b regarding the nature of deficiencies, the total number of deficiencies was lower than last year. However, there was an increase in the deficiency on pollution, which was due to more ship inspections carried out under the concentrated inspection campaign on oil pollution undertaken by the Tokyo and Paris MOUs from February to April 2006. One ship was detained on security grounds by the USCG this year.

49. In reply to an enquiry from Mr. Arthur Bowring on whether the ship detentions by USCG this year would affect Hong Kong's status as US Qualships 21, Mr. W.H. Leung said that if a flag State had to remain in the US Qualships 21 status, the ship detention rate by USCG should be below 1%. For Hong Kong registered ships, as the detention rate by USCG in this year was 0.7%, Hong Kong should maintain the US Qualships 21 status.

50. Capt. L.C. Chan enquired whether the soft copy of Table 5 relating to details of detentions of Hong Kong registered ships by port States could be provided to facilitate promulgation to ship masters for information. Mr. K.L. Lee said that MD would provide such soft copy.

51. Mr. Samson Lok raised that, although he had pointed out the mistake at the last meeting, Table 5 again wrongly named SINOTRANS Shipping Ltd. as the company for "Guo Yuan 2". The Chairman requested that the mistake should be rectified. He reminded that any follow-up action after each meeting must be taken up to avoid similar mistake.

[Post-meeting note: Table 5 and Table 5a were amended accordingly and submitted to member for information on 14 November 2006.]

### **Agenda Item 9(e) – HK Ship Accidents and Casualty Statistics**

52. Mr. Y.K. Li said that casualty statistics for Hong Kong registered ships from April to September 2006 were presented in Table 10. Table 10A concerned two serious accidents. One involved the collision of “Pacific Adventurer” and a PRC naval vessel in June 2006 resulting in serious casualties on board the naval vessel. The other related to the collision of “CSCL Ningbo” and a PRC cargo ship in August 2006 resulting in the sinking of the latter vessel with 3 crew missing. These two cases were under investigation. Table 10B showed the breakdown of 22 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 an increase in grounding incidents. He highlighted that one of these incidents related to the grounding of the vessel Eider in Antofagasta of Chile in October 2005 resulting in serious oil pollution. The investigation revealed that the main cause of the accident was the use of incorrect GPS positions to anchor the vessel in port. The Chairman added that a Merchant Shipping Information Note would be issued to draw the attention of the ship owners and masters on the lessons learnt. Mr. Y.K. Li continued that Table 10D related to industrial accident, which showed that as from April to September 2006, there was one reported case which involved the fatality of a crewmember in enclosed space. The annual comparison on number of crew casualty was shown in Table 10E. In this regard, there were 19 cases of crew casualty from January to September this year.

53. In response to the enquiry from Mr. Anil Arora on the dissemination of lessons learnt and publication of investigation reports, Mr. Y.K Li said that the MAI website was being modified as follows :

- To update the English web page and include full accident investigation reports starting from year 2005;
- To add both the traditional and simplified Chinese platform for the MAI web page;
- To introduce the Really Simple Syndication (RSS) feed to accident reports as well as the MSNs and MSINs to allow automatic prompting to draw attention of the readers to the latest issue of the information; and
- To add a MAI icon for accident reports/statistics in the Marine Department home page for easy retrieving.



54. The Chairman supplemented that the modification of the MAI website would be completed by early 2007. MD would put up the full investigation reports onto the website after any legal proceedings for the accidents had been completed. However, under some exceptional circumstances, MD might not be able to post up certain investigation reports on the website. One example was accidents involving military vessels. Mr. Y.K. Li mentioned that any lessons learnt in these cases however would still be promulgated by using MSINs.

### **Agenda item 10 – Slops disposal facilities for product tankers in Hong Kong**

55. Please see paragraphs 17 and 18.

### **Agenda item 11 – Safety Standard of Gas Carriers**

56. Mr. W.F. Leung mentioned that at the last meeting, there was comment on the disparity in safety standards between oil tankers and gas carriers in SOLAS. One example quoted was that a temperature alarm system was required for pump bearings in the cargo pump room of oil tankers whilst there was no similar requirement for the cargo compressor rooms in gas carriers. He advised that IMO in 2005 had a discussion on whether the aforementioned requirements in oil tankers should also be applied to chemical tankers as well as gas carriers. IMO finally decided that the requirement for protection of pump-rooms in oil tankers should only be extended to chemical tankers. Gas carriers normally did not have pump room but were fitted with deep well pumps or submerged pumps. IMO considered that there was no need to extend the requirements to gas carriers. Unlike oil tankers which had deep compartment design for pump rooms, the compressor rooms in gas carriers were situated on deck. These compressor rooms should be designed so that there would not be any accumulation of explosive gases under any circumstances.

57. Mr. Anil Arora commented that the bulkhead shaft glands in compressor rooms of gas carriers should receive attention in view of possible gas leakage from the compressors. For this reason, temperature alarms for such glands or bearings were normally fitted although it was not a mandatory requirement. He opined that the safe record of gas carriers in the history could perhaps make the mandatory installation of the temperature monitoring device for shaft glands or compressor bearings on gas carriers not necessary. Furthermore, as the IGC Code had been put in place for a long time, it might not reflect the latest safety requirement on gas carriers.

58. The Chairman mentioned that it was important for the compartment of the gas compressors to be of inherently safe design rather than relying on fitting of the temperature detection device for the shaft glands or compressor bearings. The safety standards of gas carriers were stringent as the compressor rooms should be designed not to allow trapping of explosive gases to eliminate the risk of explosion due to the presence of a hot bearing. Regarding the IGC Code, it was in fact amended from time to time to improve the safety standards of gas carriers. He opined therefore that the safety standards of gas carriers were not lower than the oil tankers. Ship owners might however, at their own discretion, install the temperature detection device for glands or bearings in the compressor rooms to further enhance the safety of gas carriers.

### **Agenda item 12 – Proposed Amendments to the Merchant Shipping (Safety) Ordinance, Cap. 369**

59. Mr. W.F. Leung mentioned that Cap. 369 and its sub-legislation were the regulations to give effect to the requirements of SOLAS, Load Lines and CORLEG. However, whenever amendments were made to these international conventions, the current legislative process to amend the legislation to give effect to the new technical requirements was complicated and time consuming due to the need to re-write each time the relevant provisions in the local legislation. MD therefore made a proposal to include in Cap. 369 a provision to enable the use of 'direct reference approach' to make regulations under Cap. 369. Taking this approach, writing the text of the new international requirements in the local legislation would not be needed and the relevant legislation would be kept updated with the latest developments in good time. Opportunity was also taken to make adaptations and to update Cap. 369.

60. The Chairman supplemented that the proposed amendments to the Merchant Shipping (Safety) Ordinance, Cap. 369 would be put into the legislative programme for 2007. He added that using the direct reference approach to make regulations was a difficult issue as Administrations using common law systems such as the U.K. and Australia would not simply accept the text of the Conventions as part of the content for legislation. To deal with the issue, one approach would be to minimize the imposition of penalties into the legislation and simply relying on withholding or cancellation of the relevant ship certificates to sanction non-compliance.

61. Mr. Arthur Bowring enquired if they need to render support for the proposed amendments to the Merchant Shipping (Safety) Ordinance, Cap. 369. The Chairman said

that the proposed amendments were for information purpose. However, any support given to the proposal would be welcome.

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

#### **Agenda item 13(a) – Designation of Special Areas under MARPOL Annex 1**

62. Mr. Y.M. Cheng mentioned that according to MEPC 55, Southern South African waters was designated by IMO as a Special Area under MARPOL Annex 1 with effective from 1 March 2008. While pending the entry into force date, IMO urged meanwhile the Administrations to request oil tankers to refrain from washing cargo tanks in the designated special area in Southern South African waters. He requested ship owners to act accordingly.

#### **Agenda item 13(b) – Pilotage in transit of Torres Strait**

63. Mr. Arthur Bowring enquired whether MD would issue a notice concerning compulsory pilotage in Torres Strait as promulgated by the Australian authorities. The Chairman responded that there had been a heated discussion at IMO about whether it was lawful under UNCLOS to impose mandatory pilotage in international waters in Torres Strait. MD however all along strongly recommended Hong Kong registered ships to use pilot in transit Torres Strait. Mr. H.M. Tung recalled that MD had previously issued an information note recommending ships to employ pilot when transiting the Torres Strait. The Chairman agreed that MD would study whether a new information note should be issued to promulgate the compulsory pilotage in such passage.

#### **Agenda item 13(c) – Gas Carriers in the Hong Kong Shipping Register**

64. Mr. Anil Arora requested information on the number of gas carriers in the Hong Kong Shipping Register. The Chairman replied that the Shipping Registry and Seafarers' Branch would provide such information after the meeting.

#### **Agenda item 13(d) – Maritime Legislation Information**

65. Mr. R. Varghese enquired where the information about the maritime legislation in Hong Kong could be available. The Chairman replied that the up-to-date maritime legislation under the ambit of MD was available on the MD website for viewing

by the public.

### **Agenda item 13(e) – Voluntary IMO Member State Audit Scheme**

66. Mr. W.F. Leung mentioned that he attended an auditor training course for the IMO Audit Scheme held in Busan, Republic of Korea from 30 October to 3 November 2006. The course was organized by the Republic of Korea in co-operation with IMO and conducted by the lecturers from U.K. and Cyprus who had recently conducted the IMO audit for a Member State. Although the course was designed for training of auditors, it was helpful for auditees to understand the auditing principles and techniques to assist their Administrations to prepare for the IMO Member State audit.

67. The Chairman mentioned that 24 countries had already indicated their willingness to join the Voluntary IMO Member State Audit Scheme. HKSAR was ready for the audit. As the Mainland was also ready to be subject to the audit, the Mainland would inform IMO soon of the intention of China including Hong Kong to join the audit scheme in 2007. In view of the number of the participants of the audit scheme, he expected that the audit for China and Hong Kong would likely take place in 2008/2009.

68. Mr. Arthur Bowring informed that a ship register conference would be held in Hong Kong on 14<sup>th</sup> and 15<sup>th</sup> November 2006. The Conference would discuss the voluntary audit scheme as well as matters relating to ship registration.

### **Agenda item 13(f) – 5-day Working Week of MD**

69. The Chairman mentioned that the 5-day working week had been implemented in MD since 1 July 2006. He invited members to provide feedback or comments, if any, on the new system. Mr. K.L. Lee mentioned that the second phase of the 5-day working week would commence on 1 January 2007. For MD, the service counters would be closed on Saturdays. However, the emergency service for the international trading vessels would not be affected.

### **Close of Meeting**

70. As there was no other business, the meeting closed at 5:05 p.m.