

## Shipping Consultative Committee

### **Minutes of the 32<sup>nd</sup> Meeting held at 2:30 p.m. on 29 May 2008 in the Marine Department Conference Room A**

Present:	Mr. P.F. Chun	Marine Department (Chairman)
	Mr. K.L. Lee	Marine Department
	Capt. Pradeep Chawla	Anglo-Eastern Ship Management Ltd.
	Mr. Vikrant Malhotra	Anglo-Eastern Ship Management Ltd
	Capt. Ning Pao Kun	Cosco (HK) Shipping Co. Ltd.
	Capt. Ravi Korivi	Eurasia Group of Companies
	Capt. Gautam Kashyap	Fleet Management Ltd
	Mr. Y.H. Shum	Goldbeam International Limited
	Mr. Arthur Bowring	Hong Kong Shipowners Association
	Mr. M.N. Tsang	Hong Kong Seamen's Union
	Mr. Harry L.H. Chan	Johnson Stokes & Master
	Ms. W.M. Lee	The Merchant Navy Officers' Guild – Hong Kong
	Capt. K.Q. Wu	OOCL Ltd.
	Mr. Jay K. Pillai	Pacific Basin Shipping (HK) Ltd.
	Mr. Norman W.H. Leung	Patt Manfield and Company Limited
	Capt. Patrick Li	Sinotrans Shipping Ltd.
	Capt. Arlton M.J. Alves	Univan Ship Management Ltd.
	Mr. Anil Arora	Unique Shipping (HK) Ltd.
	Capt. T.T. Chang	Wah Kwong Shipping Agency Co. Ltd.
	Mr. Y.K. Li	Marine Department (Secretary)

In attendance:	Mr. Y.M. Cheng	Marine Department
	Mr. K.F. Chick	Marine Department
	Mr. H.K. Leung	Marine Department
	Mr. Jimmy W.H. Leung	Marine Department
	Mr. H.M. Tung	Marine Department

Absent with apology :	Capt. L.C. Chan
	Mr. C. Kocherla
	Mr. K.S. Rajvanshy
	Mr. Tian Zhongshan
	Mr. K.Y. Ting
	Capt. C.A.J. Vanderperre
	Capt. C.M. Yu

1. The Chairman welcomed all present and introduced the newly appointed members, Mr. Harry L.H. Chan of Johnson Stokes & Master. He then requested the Secretary to introduce those participants who stood in for the SCC members: Capt. Gautam Kashyap (for Mr. K.S. Rajvanshy), Capt. K.Q. Wu (for Capt. L.C. Chan), Capt. Jay K. Pillai (for Mr. C. Kocherla), Ms. W.M. Lee (for Capt. C.M. Yu), Capt. Arlton M.J. Alves (for Capt. C.A.J. Vanderperre) and Mr. M.N. Tsang (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 31<sup>th</sup> Meeting held at 2:30 p.m. on 7 November 2007**

3. The minutes of the 31<sup>st</sup> meeting held on 7 November 2007 were confirmed with no amendment.

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

4. Mr. H.K. Leung reported that at MSC 84 a lot of the Contracting Governments had expressed their concerns that they might not be able to establish the LRIT system data centre in time by 31.12.2008. The European Union (EU) also informed that they could not guarantee readiness of the data centre by the end of this year. However IMO insisted that all Contracting Governments should keep up their efforts to implement the LRIT requirement according to the original schedule. Mr. Leung said as IMO was quite determined that LRIT requirement should be implemented as scheuled, ship operators should have the approved shipboard equipment in place as early as possible.

5. In view of the unavailability of approved LRIT shipboard equipment in the market, as an interim measure, existing shipboard LRIT equipment could be considered as an approved type after a conformance test had been conducted by a recognized Application Service Provider (ASP). The test should base on IMO Guidance on the Survey and

Certification of Compliance of Ships with the Requirement to Transmit LRIT Information (MSC.1/Circ.1257). For ships constructed before 31 December 2008, the conformance test should be conducted within a period of three months prior to the first survey of the radio installation after 31 December 2008. i.e. the earliest date for the conformance test would be on 30 September 2008. The conformance test would broadly consist of two parts. The first part would be related to the shipboard equipment, which should be demonstrated in compliance with the LRIT performance standards. The second part would be the actual functional test of the shipboard equipment with the International Data Exchange (IDE) and Data Centre (DC) to verify its intended performance.

6. As the majority of Hong Kong ships were equipped with compatible 'Immarsat C' GMDSS equipment, there should not be any major hardware investment required by the ship operators. However ship operators should note that some old GMDSS equipment, about 15-20% in the fleet, were not in full compliance with the IMO performance standards for a range of operational, physical and technical reasons, including: uncontrolled in-port log-off and/or power-down procedures, poor antenna mounting location, satellite line-of-sight blockage by ship's structure, interference from ship's radar, external wide-area radio interference in certain location and most crucially, inability to meet these requirements due to out-of-date software and/or unsupported hardware.

7. Hong Kong ship operators were advised to take early action to ensure the LRIT shipboard equipment could meet the IMO performance standards. There were checklists in the MSC.1/Circ.1257 – *Guidance on the Survey and Certification of Compliance of Ships with the Requirement to Transmit LRIT Information* that could be used to verify compliance before conducting a conformance test. MD would soon issue a MSIN to provide guidance to Hong Kong registered ships.

8. The Chairman pointed out that although IMO made little progress on the implementation of LRIT System, individual administrations should try their best to meet the schedule according to the original timetable.

9. Mr. Arthur Bowring mentioned that it was likely that the EU could not be ready by 2009. Despite the possible non-readiness of LRIT DC elsewhere, the HKSOA members were advised to comply with the LRIT requirement as much as they could because some States would be quite keen on the enforcement of this new requirement, such as the US Coastguard.

10. The Chairman supplemented that since the IMO had already come up with the guidance, the ship operators should seek advice from their GMDSS makers during the

radio survey whether their shipboard GMDSS equipment would require modification or updating to meet the LRIT requirement.

11. Mr. Arora enquired whether existing shipboard LRIT equipment on the satisfactory completion of the conformance test would be required to be replaced by an approved type later on. The Chairman clarified that if the existing or newly obtained LRIT equipment could pass the conformance test, it would be recognised as an approved type. There would be no need to replace it again with a later type-approved equipment.

12. Mr. Arora further enquired the date of readiness of the China Data Centre. The Chairman mentioned that according to the MSA, Beijing, the China Data Centre would be operative by the end of this year. MD would join the China Data Centre (DC) and would discuss with the MSA, Beijing on the costing arrangements between HKSAR and Mainland. MD would keep in close contact with the Mainland in the implementation of LRIT requirements.

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

13. Mr. Jimmy W.H. Leung reported that MSC 84 held in May 2008 adopted a resolution related to new SOLAS amendments. Referring to document SCC/32/2008/BRIEF 1, there were a total of 6 amendments adopted, which related respectively to emergency towing arrangement procedures for non-tankers, means of embarkation on and disembarkation from ships, protection of vehicle, special category and ro-ro spaces, communications (search and rescue locating service), additional requirements for ro-ro passenger ships and a code for the investigation of marine casualties and incidents. The amendments would enter into force on 1 January 2010.

14. Mr. Y.H. Shum asked if the requirement for a means of embarkation and disembarkation was applicable to Pilot ladder. Mr. KL Lee explained that the pilot ladder was excluded from the requirement. Mr. Norman Leung enquired as to how the overload test of the gangway should be conducted. The Chairman explained that guidelines were being developed at IMO in relation to the test. The Draft Guidelines for construction, maintenance and inspection of accommodation ladders and gangways would be finalized next year by MSC. According to the draft guidelines, all accommodation ladders and gangways should be thoroughly examined during annual surveys and operationally tested (with the specified maximum load) every five years.

15. Mr. Arora enquired if the requirements of emergency towing arrangement were relating to procedures only. The Chairman explained that besides the procedures, the necessary arrangement and equipment would also need to be in place to ensure the emergency towing arrangement procedures could be carried out.

Post meeting notes:

According to SOLAS Chapter II-1 regulation 3-4, the following non-tanker ships shall be provided with ship-specific emergency towing procedure. The procedure shall be based on existing arrangements and equipment available on board the ship.

- all passenger ships and (not later than 1/1/2010);
- cargo ships constructed on or after 1/1/2010; and
- cargo ships constructed before 1/1/2010 ( not later than 1/1/2012)

**Agenda Item 5 - Implementation of (a) revised MARPOL Annex I (Regulations for the prevention of pollution by oil), (b) revised MARPOL Annex II (Regulations for the control of pollution by noxious liquid substances in bulk) and (c) MARPOL Annex VI (Regulations for the prevention of air pollution from ships)**

16. Mr. Y.M. Cheng mentioned that the revised draft drafting instructions (DDI) for the Merchant Shipping (Prevention of Oil Pollution) (Amendment) Regulation, Chapter 413A were submitted to THB in October 2007. Since then, comments from D of J and THB relevant to the DDIs were received and handled. Currently, MD was awaiting issue of the DIs to the Law Draftsmen of the Department of Justice. Recently, Marine Department proposed to remove all local requirements relevant to the issuance of HKOPP Certificate from Cap 413A to expedite the law drafting when adopting the Direct Reference Approach. MD intended to migrate those local requirements to the relevant subsidiary legislation under the LVO.

17. Regarding the revised MARPOL Annex II, Mr. Y.M. Cheng mentioned that there had been no progress on the drafting of the amendment to the Merchant Shipping (Control of Pollution by Noxious Liquid Substance in Bulk) Regulation, Cap. 413B.

18. Regarding the collection of waste of Class 1, Category 5, with flash point below 23 degree C, Environmental Protection Department (EPD) informed that the conversion of the existing barge to collect such waste was still pending. As the contract of the waste collection service in HKSAR would expire soon, MD requested EPD to put this conversion project as one of the tendering requirements in drafting the tender for the provision of this service. However, as advised by EPD, with the government tendering procedures, it was

very unlikely that the existing barge might be able to be converted by this year. The Chairman supplemented that, because the quantity of waste under this category was normally small, a container or some sort of freestanding tank should be capable to collect the waste. However it was MD's intention to impose the provision of this requirement when renewing contract with the service provider.

19. Regarding MARPOL Annex VI, Mr. Y.M. Cheng mentioned the Merchant Shipping (Prevention of Air Pollution) Regulation was approved by LegCo in November 2007. In January 2008, THB wrote to the Office of the Commissioner of the Ministry of Foreign Affairs (OCMFA) to request the Central People's Government to inform IMO regarding the extension of MARPOL Annex VI to HKSAR. On 13 March 2008, CPG notified IMO on the extension of the Annex VI to HKSAR. IMO acknowledged the notification on 20 March 2008 and advised members of IMO that MARPOL Annex VI would be applied to HKSAR on 20 March 2008. The current plan was to have the local legislation in force on 1 June 2008.

20. The Chairman supplemented that according to IMO notice, the requirement was already applicable to Hong Kong registered vessels and vessels in Hong Kong waters. However the relevant legislation was not yet in force until the 1 June 2008. Until such date the Hong Kong PSC should NOT enforce this requirement when inspecting foreign vessels in Hong Kong. MD had already advised the RO to issue MARPOL Annex VI certificate to Hong Kong registered ships effective from 20 March 2008. MD had also issued the MSIN to Hong Kong registered ships and MDN to all vessels operating in Hong Kong including foreign vessels that they should not use incinerator in Hong Kong unless it was of IMO approved type.

## **Agenda item 6 – Maritime Labour Convention 2006**

21. Mr. Y.M. Cheng mentioned that since the Tripartite Working Group (TWG) was formed in January 2007, five meetings had been held. The most recent one was held on 23 January 2008 to discuss Title 5 regarding "Compliance and enforcement". A final report on the outcome of the discussion of TWG was being drafted. There would be another TWG meeting to comment on the draft report before it was submitted to the Seafarers' Advisory Board (SAB) for approval. After obtaining approval from the SAB, MD would commence the drafting of a new piece of subsidiary legislation under Cap. 478 to give effect to Title 5 and to amend existing subsidiary legislation under Cap. 478 to give effect to the remaining parts of the Convention.

### **Agenda Item 11(c) – Detention of HK Ships and Related Statistics**

### **Agenda Item 11(d) – Detention of HK Ships on Security Ground**

(At the request of Capt. Pradeep Chawla, agenda item 11 (c) and 11 (d) were brought forward after agenda 6).

22. Referring to Annex 8(a) of the statistics, Mr. H.M. Tung reported that in the year of 2007 there were a total of 46 ship detentions under various MOUs. These detentions included 16 in Australia under the Tokyo MOU, 8 under the Paris MOU, 10 by the USCG of which two ships were detained on security ground, 7 under the Indian Ocean MOU, 4 under the Mediterranean MOU and one under the Latin America MOU. The details of detention to Hong Kong registered ships were provided in annex 8(b). The pie charts in annexes 8(c) and 8(d) showed the distribution of detainable deficiencies and all deficiencies respectively. The defects related to fire safety, pollution prevention, general safety issues, ISM and safety of navigation were the major factors causing detentions. The ship operators were advised to take special precaution on these defects.

23. With regard to PSC inspections in Australian ports, Mr. Tung pointed out that Hong Kong registered ship had encountered very strict PSC inspection in Australia in 2007. He advised ship operators to take special attention when their ships were scheduled to visit Australian ports. He further suggested that the Master should establish a practice to check his vessel before entering any port, in particular Australian ports. If a deficiency was identified and could not be rectified by ship's crew before entry, the Master should proactively inform the concerned port authority of the remedial measure to be taken. The ship would not be detained due to such reported deficiency. In addition the Master should also seek dispensation from MD on such deficiency if necessary.

24. For 2008, there were a total of 16 ship detentions in the first four months under various MOUs. These detentions included 7 ships under the Tokyo MOU, 4 under the Paris MOU, 1 by the USCG, 2 under the Indian Ocean MOU, 1 under the Mediterranean MOU and 1 under Latin America MOU. Annex 9(c) and (d) showed the distribution of detainable deficiencies and all deficiencies respectively. The defects related to fire safety, life saving equipment, loadline, ISM and safety of navigation were the defects causing detentions.

25. Mr. K.L. Lee supplemented that after analysing the detention records on 2004, 2005 and 2006 from AMSA PSC inspection as in Annex 3, there was no evidence to show that Hong Kong registered ships had been targeted by the authority. AMSA had been very

strict with their PSC inspection in general. It was also observed that the AMSA was very concerned on the safety of the on-load release gear of lifeboat, and had been conducting their own concentrated inspection campaign on the release gear in 2008 with quite a number of ships detained due to such deficiency. MD had already issued a circular informing Hong Kong ship operators that they should pay particular attention on the testing of the equipment and the re-setting of the release gear after each drill.

26. Capt. Pradeep Chawla thanked MD for taking up the analysis of the PSC data and reaching a conclusion in such short period since the last meeting. He requested the committee to continue to track the Australia PSC activities for a further period as they stood out to be the highest detention region for the Hong Kong registered ships. In the meantime the HKSOA would continue to maintain a good relationship with AMSA. Capt. Chawla also mentioned the attribution of deficiency using Code 17 (Rectify deficiency before departure) in Annex 2 of the Ship Safety Branch Statistics. Code 17 occupied 53% in the distribution of deficiency codes in PSC Inspection and it appeared always the most commonly used deficiency code across the MOUs all over the world. Capt. Chawla suggested that Code 17 might have been misused in PSC inspection. The issue should be highlighted and discussed in more details in future MOU meetings with a view to removing this trend if possible. Mr. Ivan Tung supplemented that the analysis of Code 17 was based on the information obtained from Tokyo MOU only. MD would report the result of the analysis in Annex 2 to the PSC Committee of Tokyo MOU and recommend the PSC Committee to consider to develop appropriate guidelines on the use of different deficiency codes.

27. Mr. Arthur Bowring enquired if Hong Kong still maintained Qualship 21 in the United States. Mr. Tung replied that MD had written to the USCG a few times for updated information concerning Qualship 21 but did not receive any reply from them. According to the estimation based on the number of detentions and the other projected data, Hong Kong should be able to maintain the Qualship 21 status in 2008.

28. Mr. Arthur Bowring enquired why “Cosco Busan” was detained in the US after the accident. Mr. K.L. Lee replied that “Cosco Busan” was detained due to ISM deficiency in relation to an allegation of inadequate manning on the bridge before the accident. After the detention the company clarified with MD that there had been sufficient manning in watchkeeping. At the time of the accident, the chief officer and the bosun were deployed to maintain watch at the forepeak. Upon receipt of the information MD had formally submitted an appeal against the detention of “Cosco Busan”. However the USCG refused to reconsider their decision. Mr. Bowring further mentioned that “Cosco Busan” was fined due to a breach of the Jone’s Act because its containers had been unloaded in US port to



facilitate necessary repairing. Mr. Arthur Bowring requested MD to follow up with the matter, as it appeared unfair for the US authority to invoke the Jones Act after an accident. The Chairman explained that it would be the Court's decision to determine whether the offloading of containers had breached the Jones Act, MD would not be in a position to intervene in this matter.

29. Mr. H.M. Tung reported that he had prepared in Annex 1(a) & 1(b) the benchmarks of PSC to measure the performance of Hong Kong fleet as instructed by the Committee in the last meeting. In general the performances of Hong Kong registered ship in PSC inspection were better than the MOU average in the past 4 years. Capt. Chawla suggested if the statistics could be published in the website of the Marine Department. The Chairman welcomed the suggestion.

### **Agenda item 7 – Voluntary IMO Member State Audit Scheme**

30. Mr. Jimmy W.H. Leung mentioned that since the inception of the Audit Scheme in 2005, 40 Member States had volunteered for the audit. As of 15 March 2008, 20 audits had been conducted while 8 additional audits would be completed for the rest of the year. China established a working group to prepare for Audit Scheme in November 2006. The State Council of China had approved the Mainland to join the volunteer audit and would soon submit the application to IMO.

### **Agenda item 8 – IMO Diplomatic Conference for the adoption of the International Convention for Safe and Environmentally Sound Recycling of Ships (The Conference)**

31. Mr. Jimmy W.H. Leung gave an update on the progress of the Conference - Subject to the approval of the forthcoming IMO Council Meeting in June 2008, Hong Kong would host the Diplomatic Conference for the adoption of the International Convention for Safe and Environmentally Sound Recycling of Ships from 11 to 15 May 2009. The new Convention aimed to provide an effective international regime to regulate ship recycling. It would minimize, in the most effective, efficient and sustainable way, the risks to the environment, occupational health and safety associated with ship recycling. The Diplomatic Conference was a 5 days event and would be held at the Hong Kong Convention and Exhibition Centre. It was estimated about 700 delegates from IMO member States, a number of intergovernmental organizations and non-governmental organizations would participate in the Diplomatic Conference. To ensure the success of

the Conference, MD had formed a steering group chaired by the Director of Marine and appointed a professional conference organizer to assist organizing the Conference. The Chairman supplemented that it was our intention to invite the Chief Executive to officiate at the opening ceremony. MD would also arrange a number of social events to ensure that the delegates from IMO to have an enjoyable and memorable stay in Hong Kong.

## **Agenda Item 9 – Implementation of the International Convention on Liability and Compensation for Bunker Oil Pollution Damage in the HKSAR**

32. Mr. Y.K. LI provided a brief on the progress of implementation of the Bunkers Convention. The Convention, which provides compensation cover for bunker oil pollution damage caused by ships other than tankers will enter into force on 21 November 2008. So far 21 States denoting 24.04% of the world tonnage have ratified the Convention. SCC members were consulted through the consultation paper SCC/134 of 9 January 2008. Similarly, Port Operations Committee was also consulted. All the consultation indicated a general support on the implementation of this Convention in HKSAR. To extend the Bunkers Convention to HKSAR, legislation would be needed. As the nature of Bunkers Convention was similar to the current Cap. 414, which provided compensation cover for pollution damage caused by tankers, MD proposed to amend Cap. 414 by adding a new Part to accommodate the relevant clauses in the Bunkers Convention. Cap. 414 would then become a complete legislation for Liability and Compensation for Oil Pollution both for tankers (CLC) and non-tankers (Bunkers Convention). The relevant Draft Drafting Instruction was submitted to Transport and Housing Bureau on 23 May 2008.

33. Mr. Arthur Browning stated that it was in the interest of the Hong Kong ship owners that the Bunkers Convention should be extended to Hong Kong as early as possible as MD would only be able to issue the certificate of financial security to Hong Kong registered ships after becoming a party to the Convention. At the moment Hong Kong ship operators were having difficulty to request other state parties to issue the certificate of financial security to Hong Kong registered ships. It was known that Singapore had indicated their unwillingness to issue the certificate to foreign flag ships unless they were trading to Singapore.

34. Mr. Browning asked if they could help to expedite the legislative process. In reply the Chairman explained that even the legislation was in place, as a matter of policy, Hong Kong would very likely need to wait for the Mainland to be ready before it might join the Convention. In the case of the LLMC Protocol, although the local legislation in Hong Kong had been made ready for a few years, the LLMC Protocol was still not extended to HKSAR because the CPG did not want the Protocol to be applicable only to HKSAR but

not the Mainland. Mr. Browning said that HKSOA would see if anything could be done to take the matter up with the relevant Mainland authorities.

## **Agenda 10 -Implementation of the International Convention on the Control of Harmful Anti-fouling Systems on Ships in the HKSAR**

35. The SCC was consulted on the issue by Consultation Paper SCC 131 in December 2007, the DDIs for the proposed legislation, namely, Merchant Shipping (Control of Harmful Anti-fouling Systems on Ships) Regulation were submitted to the Transport and Housing Bureau. Department of Justice was studying the DDI. In response to enquiry raised by HKSOA in the last meeting on the concern of having shipowners continued to buy TBT paints to apply to their vessels, Mr. Y.M. Cheng replied that MD had issued MSINs since 2000 to advise the industry on the requirements of AFS Convention. He added that shipowners should know the consequence of applying TBT paint on their vessels after 1.1.2008 as they would be subjected to PSC intervention. Based on the above, the chance for shipowners of HK ships to continue buying TBT paints to apply to their vessels after 1 January 2008 was very low. Although MD had commenced the work for the local legislation to implement the AFS Convention, it was unlikely that such legislation could be ready by 17 September 2008. MD would continue to request the Recognised Organisations to issue certificates of compliance to the Hong Kong registered vessels to certify compliance with this Convention.

### **Agenda Item 11 (a) – Matters relating to the Hong Kong Shipping Register (HKSR)**

36. Mr. K.F. Chick mentioned that from the tables distributed, members could find the information about the Hong Kong Shipping Register. The statistics showed a steady increase of tonnage. He highlighted that the HKSR had already crossed the 37 m gross tons mark. The vessel that passed the 37 m gross tons mark was a LNG gas carrier, the first of this type in the Hong Kong registry.

### **Agenda Item 11 (b) – Flag State Quality Control (FSQC) and Pre-Registry Quality Control (PRQC) Statistics**

37. Referring to Annex 6 of the statistics tabled at the meeting, Mr. H.M. Tung stated

in 2007 there were a total of 29 FSQC inspections of ships with 16 of which being carried out after the ships were detained by PSC. For the 29 FSQC inspections, about 66% of the ships were graded satisfactory. For those ships graded less than satisfactory, MD had instructed the concerned classification societies to take the necessary follow up actions. As regard to PRQC, 8 inspections had been carried out and 6 of these inspections were graded satisfactory. For those ships graded less than satisfactory, they would not be accepted for registration until the classification society had confirmed rectification of the deficiencies. 14 company visits had been conducted in 2007 and one company was re-visited and graded less than satisfactory. This company was instructed to rectify the non-conformities and the concerned classification society was instructed to follow up in the next annual audit. Only one CAS was conducted during 2007. In the first 4 months of 2008 there were a total of 15 FSQC inspections of ships with 5 of which being carried out after the ships were detained by PSC. For these FSQC inspections, about 60% of the ships were graded satisfactory. 1 PRQC inspection was carried out and found satisfactory. 1 company had been conducted so far and no CAS was conducted during the first 4 months of 2008.

38. Mr. Harry L.H. Chan stated that the seller of a vessel might not allow the PRQC inspection to proceed on board a vessel before completion of the sale and purchase transaction. Mr. Chan enquired if MD could allow provisional registration of a ship so that the buyer could complete the transaction and then conduct the PRQC inspection at a later stage. If the vessel failed the PRQC inspection it could then be de-registered from the registry. Mr. KL Lee replied that in order to maintain the quality of Hong Kong registered vessel MD would insist to conduct PRQC inspection before the vessel enters into the registry. The requirement of conducting PRQC inspection was based on a transparent marking scheme and the applicant was well advised of the requirement in advance. Should a potential buyer intend to put the vessel into Hong Kong registry he would have to agree with the seller on the terms to allow the PRQC inspection to be conducted on board. MD was unlikely to grant any provisional registration before the inspection. Mr. H.M. Tung quoted the example of a case happened last year that after MD refused the proposal on the provisional registration to Hong Kong registry, the proposed vessel was detained under a Port State Control inspection within a month. The Committee concluded that the current quality assessment including the PRQC arrangement for ships applying for registration was necessary to maintain the quality of Hong Kong registered ships.

### **Agenda Item 11 (e) – HK Ship Accidents and Casualty Statistics**

39. Mr. H.K. Leung said that casualty statistics for Hong Kong registered ships from October 2007 to March 2008 were presented in Table 7 Casualty Statistics to Hong Kong

Registered Vessels. He drew members' attention to Table 7A concerning two severe oil pollution cases. The first case was in December 2007 relating to a single hull tanker "Hebei Spirit". The vessel was anchoring in a proper position as advised by the local vessel traffic control. The tow wire of a tug towing a crane barge parted in rough weather when it moved across the bow of the tanker. The crane barge drifted towards the tanker and ruptured No. 1, 3 and 5 port oil tanks resulting in severe pollution. The second case involved a container vessel "Cosco Busan" in San Francisco. At time of accident the local pilot was onboard. The vessel steered off the intended course and hit a bridge tower of the Oakland Bridge causing oil pollution. Preliminary investigation revealed that the causes of the two accidents were not directly related to the conduct of the seafarers onboard. The cases were now under investigation, MD would issue MSINs in due course to advise operators if any lessons were learnt from the cases.

40. Capt. Malhotra asked if the information on the number of fatalities in each serious accident could be added in table 7A relating to Accident of Vessel resulting in Serious Casualty. Mr. H.K. Leung replied that there should not be any problem to supplement such information.

## **Agenda item 10 – Any Other Business**

### **Phasing out of the Single Hull Tanker**

41. The Chairman said that Hong Kong decided that single hull tankers should be phased out by 2010. Single hull tanker would no longer be accepted in the Hong Kong register after the end of 2009. However certain relaxation to relatively new single hull tankers maintained in good condition for carriage of non-heavy grade oil, i.e. tanker less than 15 years of age by 2010, might remain in service until year 2015 or reaches the age of 20, whichever the earlier. MSIN No.11/2005 was issued in March 2005 regarding the phasing out of single hull tanker. MD would update the MSIN in due course to remind the tanker owners to make the necessary preparation.

### **Report of Near Miss Incident**

42. The Chairman said that in MSC 84, MSC issued a circular on guidance for reporting of near miss to shipping company. This circular aimed to encourage shipping companies to foster a trust culture within the company so that people would be encouraged to provide essential safety information without the fear of retribution. Based on the reported information a company could be able to set up procedures to take the necessary remedial action to avoid recurrence.

43. Mr. Arthur Bowring expressed that the culture of blame was likely to originate from the administrations. Although companies could foster no blame culture, if the administration was to initiate prosecution to seafarers basing on any unfavourable report, the whole idea of encouraging seafarers to report near miss would collapse. Thus the IMO should persuade the administrations not to use near miss reports against seafarers. The Chairman explained that the IMO had been trying hard to convey such a message to the administrations. It was unlikely for any administration to openly admit it would penalize seafarers because of an unfavorable report. The IMO circular was to encourage seafarers to report near miss incidents to the company but not the administration. In order to improve the safety standard of shipping it was desirable for every company to foster no blame culture.

### **Consultation paper – No. SCC/136 - Issue of Full Term License**

44. Mr. H.K. Leung introduced the consultation paper No. SCC/136 regarding the issue of full term license to holders of Hong Kong temporary license. The paper sought the endorsement of the SCC members for the issue of full term license to certificate holders of Belgium, Bulgaria, Cyprus, Egypt and Spain after a trial of 2 year transitional period. As MD had received no adverse comments from ship operators on the competence of officers holding certificate of competency from these countries, it was proposed that full term license could be issued to these certificate holders.

45. Mr. Arora expressed concern that in the case of Bulgarian certificate, it appeared unreasonable for MD to grant full term license based on a population of only one temporary license. He suggested MD should take a more positive approach to ensure satisfactory performance of these officers before issuing the full term license. After deliberation members agreed that MD should approach employers of the subject officers to ensure satisfactory performance in the future before issuing full term license. The Committee also agreed that MD would issue full term license to the 4 countries i.e. Belgium, Cyprus, Egypt and Spain basing on previous practice. With respect to Bulgarian certificates, MD would confirm satisfactory performance from the certificate holder's employer before issuing full term license.

### **Wireless Broadband Access in Port of Hong Kong**

46. Mr. Arora suggested that Government of Hong Kong SAR might consider to provide WiMax service to the port of Hong Kong like Singapore. WiMax service would substantially facilitate communication between ships visiting Hong Kong and other parties ashore. The Chairman welcomed suggestion and MD would see what could be done.

### **Change of Company Name**

47. Mr. Harry L.H. Chan requested the Committee to take note that the Johnson Stokes & Master had been changed to JSM.

### **Discrepancy of Sulphur Content between the Bunker Delivery Note and the Sample Test**

48. Capt. Arlton M.J. Alves expressed concern about the discrepancy of sulphur content between the bunker delivery note and the result obtained from the commercial sample test. There was one case that the level of sulphur content of the sample fuel oil was tested to be 1.58% when the bunker delivery note only stated to be 1.4%. Due to the discrepancy in verifying the bunker oil sample with those appeared on the bunker delivery note under the MARPOL Annex VI, the ship operator could face PSC intervention. In reply, the Chairman advised that he would go back to have a look on the issue and to see whether MD could provide a more specific guideline to help the ship operators.

### **Close of Meeting**

49. As there was no other business, the meeting closed at 5:20 p.m.