

HONG KONG SHIPPING REGISTRY**Examination Fee Reductions and Streamlining****Purpose**

1. The Marine Department is proposing to reduce all Certificate of Competency examination fees by 20% and also deleting six obsolete fee items related to the oral examinations for the issue of licences. Members' views are sought on these proposals.

Background

2. The government is following a cost recovery principle in setting its fee level for the services provided. Such fee levels are reviewed regularly taking into account the revenue generated each year. With the continual support of the shipowners since the last fee review, the total registered tonnage in the Hong Kong Shipping Registry (HKSR) has increased from 44 million gross tons (GT) in March 2009 to over 48 million GT in March 2010.

3. This increase in revenue has provided some room for reduction to the related fees and charges. While this increase in revenue does not afford another major reduction such as the Annual Tonnage Charge (ATC) after the introduction of the ATC Reduction Scheme in 2006 and the fee reduction review in 2009, a reduction in the Certificate of Competency examination fees may be appropriate to reduce the burden and encourage potential candidates to take these examinations.

4. At present, there are also six obsolete fee items relating to the oral examinations of deck and marine engineer officers previously taken by the applicants holding foreign CoC not recognized in Hong Kong. These fee items are proposed to be deleted to simplify the current fee structure.

5. Under the Standards of Training, Certification and Watchkeeping (STCW) 1995 Convention, if a country issuing the CoC is recognized by Hong Kong, a Hong Kong Licence will be issued without requiring these certificate holders to take any examinations. Hong Kong does not set any examination requirements such as oral examination for the issue of Licence to foreign CoC holders. Therefore, the fees for the oral examinations of deck and marine engineer officers fees are obsolete fee items.

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They are proposed to be deleted to make the existing fees regulation in line with the international development.

Fee Reduction Considerations

6. In considering to reduce the HKSR fees and charges, the following factors have to be considered:
 - a. the additional resources required to administer and serve the expanded fleet;
 - b. manning is an importance part of ships' operation, and given the prevailing worldwide trend of seafarers shortage in recent years, local students should be attracted to consider the marine profession as a career opportunity;
 - c. charges for service to seafarers should be reduced as an endeavor to promote the seafaring career;
 - d. where possible, the fee reduction measures should also enable the streamlining of administrative procedures to improve efficiency and provide saving in manpower resources.

The Proposal

7. The following fee reduction measures are proposed:
 - i. to reduce the fees of all classes of "Sea-going" and "River-trade" deck and marine engineer officer certificates of competency (CoC) examinations by 20%;
 - ii. to delete six obsolete fee items relating to the oral examinations for deck and marine engineer officers holding foreign CoC for the issue of licences to simplify the current fee structure.

8. The Schedule related to the propose reduction and deletion of the above fees items are listed in the **Annex**.

Action required by Members

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9. Members of the Shipping Consultative Committee are invited to comment and endorse the proposals given in paragraph 7.

Marine Department

Date: 02 November 2010

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Annex

CAP 478AB – Merchant Shipping (Seafarers) (Fees) Regulations

Sch. Part II	Description	Existing fee level	Proposed fee level
<i>Fees for examinations for certificates of competency as Deck Officers</i>			
1(a)	Deck Officer Class 1 (Master Mariner)	\$11,565	\$9,252
1(b)	Deck Officer Class 2	\$8,670	\$6,936
1(c)	Deck Officer Class 3	\$6,020	\$4,816
1(d)	Deck Officer (River Trade) Class 1	\$8,670	\$6,936
1(e)	Deck Officer (River Trade) Class 2	\$6,020	\$4,816
1(f)	Deck Officer (River Trade) Class 3	\$3,865	\$3,092
1(g)	For an examination in communications in relation to items (b), (c) or (e), if taken separately from the remainder of the full examination	\$985	\$788

Fees for examinations for certificates of competency as Marine Engineer Officers

Marine Engineer Officer Class 1			
2(a)(i)	For Part A or a portion thereof, or for exemption from all of Part A	\$3,865	\$3,092
2(a)(ii)	For Part B or a portion thereof	\$5,775	\$4,620
2(a)(iii)	For oral examination if taken separately	\$5,775	\$4,620
2(a)(iv)	For endorsement of a Marine Engineer Officer Class 1 certificate	\$3,610	\$2,888

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2(a)(v)	For issuing a Marine Engineer Officer Class 1 Part A exemption certificate	\$595	\$476
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Marine Engineer Officer Class 2

2(b)(i)	For Part A or a portion thereof, or for exemption from all of Part A	\$2,895	\$2,316
2(b)(ii)	For Part B or a portion thereof	\$4,345	\$3,476
2(b)(iii)	For oral examination if taken separately	\$4,345	\$3,476
2(b)(iv)	For endorsement of a Marine Engineer Officer Class 2 certificate	\$2,410	\$1,928
2(b)(v)	For issuing a Marine Engineer Officer Class 2 Part A exemption certificate	\$595	\$476

Marine Engineer Officer Class 3

2(c)(i)	For a full examination	\$2,410	\$1,928
2(c)(ii)	For endorsement of a Marine Engineer Officer Class 3 certificate	\$1,940	\$1,552

Marine Engineer Officer (River Trade)

2(d)	Engineer Officer Class 1	\$8,670	\$6,936
2(e)	Engineer Officer Class 2	\$6,020	\$4,816
2(f)	Engineer Officer Class 3	\$3,005	\$2,404

Obsolete fee items to be Deleted

Fees for oral examinations for licences

3(a)	Deck Officer Class 1	\$5,775	
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3(b)	Deck Officer Class 2	\$4,345	
3(c)	Deck Officer Class 3	\$3,005	
4(a)	Marine Engineer Officer Class 1	\$5,775	
4(b)	Marine Engineer Officer Class 2	\$4,345	
4(c)	Marine Engineer Officer Class 3	\$2,410	