

**CONTROLLING OFFICER'S REPLY**

**(Question Serial No. 2601)**

Head: (100) Marine Department  
Subhead (No. & title): (-) Not Specified  
Programme: (4) Services to Ships  
Controlling Officer: Director of Marine (Mr S.F. WONG)  
Director of Bureau: Secretary for Transport and Logistics

Question:

It is mentioned in the Budget that the Government will allocate \$65 million to support the Marine Department in implementing a three-year funding scheme, with the aim of providing incentives for Hong Kong-registered ships that have attained a rating of A or B in the Carbon Intensity Indicator. In this connection, will the Government advise on the following:

- (1) How will the expenditure on the scheme be allocated? What is the maximum amount of subsidy for each eligible Hong Kong-registered ship?
- (2) Please provide the estimated number of months required for eligible Hong Kong-registered shipping companies to receive the subsidy after applying for this scheme; and how many Hong Kong-registered ships are expected to benefit from the implementation of the above scheme?

Asked by: Hon KONG Yuk-foon, Doreen (LegCo internal reference no.: 19)

Reply:

In response to the global shift towards green transformation in the maritime and port industry, the Marine Department (MD) plans to provide green incentives for Hong Kong-registered ships attaining high ratings in the international standards on decarbonisation set by the International Maritime Organization (IMO). This will involve about \$65 million in funding. Specifically, from 2024 to 2026, for all Hong Kong-registered ships with a gross tonnage of 5 000 or above that attain a rating of A or B in the annual operational Carbon Intensity Indicator (CII) introduced by IMO, each ship will receive \$20,000 per year. In other words, each eligible ship can receive a maximum of \$60,000 during the entire incentive period. The incentive is expected to be launched in the second quarter of 2024. MD estimates that the annual cash flow requirements are as follows:

<b>Year</b>	<b>\$million</b>
2024-2025	19
2025-2026	22
2026-2027	24
<b>Total</b>	<b>65</b>

After receiving applications for the incentive, MD will carry out document verification and approval procedures. Depending on the actual circumstances, the subsidy will generally be granted to the approved applications within 3 months. We estimate that more than 1 200 eligible Hong Kong-registered ships will benefit from this initiative.

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