

**For discussion
on 28 September 2009**

**Bills Committee on Bunker Oil Pollution (Liability and Compensation) Bill
Proposed Fee Regulation made under the Bunker Oil Pollution (Liability and
Compensation) Bill**

Purpose

This paper seeks Members' view on a proposed fee regulation to be made pursuant to clause 33 of the Bunker Oil Pollution (Liability and Compensation) Bill (the Bill).

The Proposal

2. The proposed regulation prescribes the fee to be paid on an application for the insurance certificate to be issued by the Director of Marine under clause 16 of the Bill. We propose an application fee of HK\$535. In line with the "user pays" principle, it is the Government's established policy that fees and charges should in general be set at levels adequate to recover the full cost of providing the services concerned. The amount proposed is the same as that prescribed for the issuance of a similar certificate for tankers under the Merchant Shipping (Liability and Compensation for Oil Pollution) Ordinance (Cap. 414). The Administration will review the charges regularly having regard to the principle.

Public Consultation

3. The shipping industry have been consulted through the Shipping Consultative Committee which comprises representatives from the Hong Kong Shipowners Association, a maritime law firm, shipping companies, the Hong Kong Seaman's Union and the Merchant Navy Officers' Guild - Hong Kong. Members raised no objection to the proposed fee except for two shipping companies which suggested the fee be set at a lower level.

Advice Sought

4. Members are invited to give their views on the proposal.

***Transport and Housing Bureau
Marine Department
September 2009***