# 立法會 Legislative Council

LC Paper No. LS 61/00-01

## Paper for the House Committee Meeting of the Legislative Council on 16 March 2001

# Legal Service Division Report on Merchant Shipping (Registration) (Amendment) Bill 2001

#### Object of the Bill

To amend the Merchant Shipping (Registration) Ordinance (Cap. 415) so as to streamline the ship registration procedures.

### **LegCo Brief Reference**

2. MA100/3(2000) issued by the Economic Services Bureau dated 7 February 2001.

## **Date of First Reading**

3. 14 March 2001.

#### **Comments**

- 4. Under the Ordinance, if an applicant wants to make a provisional ship registration in Hong Kong, he has to submit specified documents including the original builder's certificate or the original bill of sale. Such provisional registration is deemed to be closed upon the expiry of 3 months or when the ship is fully registered. The Registrar of Ships has to retain some specified documents in the Registry.
- 5. To expedite the registration process, it is proposed that copy of the builder's certificate or copy bill of sale be made acceptable for provisional ship registration and the period for such registration be shortened to 1 month (Clauses 6 and 7). The Registrar is not required to retain the builder's certificate or bill of sale in the Register (Clauses 5 and 8). To prevent commercial fraud, a confirmation by the ship mortgagee that he has seen the original title document has to be produced to the Registrar (Clause 9).

- 6. This Bill also adds the term "sub-demise charter" to the Ordinance (Clause 2) and states that a registered ship ceases to be registrable if the rights of the demise charterer under the demise charter are assigned under a sub-demise charter (Clause 3). This is to bring the provision in line with commercial practices of the industry.
- 7. This Bill, if enacted, will come into operation on a day to be appointed by the Secretary for Economic Services by notice published in the Gazette. The relevant amendment to the Regulation has already been gazetted on 23 February 2001 (L.N. 49 of 2001) and will come into operation on the same day as this Bill. For details of the amendments to that Regulation, Members may refer to the LegCo Brief as well as our Division's report on it (LC Paper No. LS 65/00-01).

#### **Public Consultation**

8. The proposals in this Bill originate from the shipping industry. The Shipping Consultative Committee has been consulted and supported the proposals. (paragraph 5 of the Paper submitted to the Panel on Economic Services meeting on 19 December 2000 (CB(1)320/00-01(04) referred).

#### Consultation with the LegCo Panel

9. Members of the Panel on Economic Services were briefed on these proposals during the meeting on 19 December 2000 and noted the proposals. Members may refer to the minutes of that meeting for details (LC Paper No. CB(1)461/00-01).

#### **Conclusion**

10. The amendments in this Bill are technical in nature seeking to streamline the registration process for ships registering under the Hong Kong Shipping Register. The legal and drafting aspects of this Bill are in order. Subject to Members' views, Second Reading debate of this Bill may be resumed.

Prepared by

HO Ying-chu, Anita Assistant Legal Adviser Legislative Council Secretariat 12 March 2001