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4 June 2004

The Honourable Ms Miriam Lau Chairman of Bills Committee Legislative Council Secretariat Legislative Council Building 8 Jackson Road Central Hong Kong

BY FAX (2121 0420) ONLY (Total 8 pages)

Dear Chairman,

Merchant Shipping (Security of Ships and Port Facilities) Bill

First of all, I would like to express my appreciation to you and the Honourable members of the Bills Committee in processing the captioned Bill expeditiously.

In the first meeting of the Bills Committee held on 28 May 2004, you asked the Administration to put on record the reasons for processing for the Bill urgently and to report the outcome of consultations with the industry on the Bill. I now provide the required information in the following paragraphs.

The International Maritime Organisation, at a Diplomatic Conference on Maritime Security, adopted new provisions in SOLAS and the ISPS Code in mid-December 2002. At that time consensus could not be reached on whether Part B of the ISPS Code should be made compulsory or for guidance only. This was eventually resolved through a vote at IMO in May 2003. Only then were the nature and extent of powers required became clear upon which we commenced detailed preparatory work to implement the ISPS Code in Hong Kong. At the same time, we need to work out the parameters

that would be featured in the local legislation mandated by IMO. After working out the on-the-ground implementational procedures within the Government, the drafting of the Bill commenced towards the end of the year. We also secured the support of the LegCo Economic Services Panel on 16 December 2003.

The legislative proposal was submitted to ExCo on 2 March 2004 and upon its endorsement, the First Reading and Second Reading of the Bill in LegCo took place on 24 March 2004. At its meeting on 16 April 2004, the House Committee decided that a Bills Committee be established for the Bill. Our current tight schedule stems from the requirement to meet the international deadline for the implementation of the Convention on 1 July 2004. Again, we greatly appreciate the efforts of the Honourable members to achieve this target.

In respect of the consultation with the industry, Marine Department has consulted the Port Area Security Advisory Committee and the Shipping Consultative Committee (membership of these committees are attached in Annexes A and B respectively) as well as the port facility groups (Annex C). Two queries were received:-

- (a) the level of fees as prescribed in Rule 33; and
- (b) request to change "without delay" to "without undue delay" in Rules 27, 29(1) and 30.

We will explain our position re the two points at the meeting today. Thank you for your attention.

Yours sincerely,

(Raymond Fan) for Secretary for Economic Development and Labour

Port Area Security Advisory Committee Membership List

Membership List (Revised in May 2004)

Chairman:Mr. Roger TUPPERMarine DepartmentVice Chairman:Mr. H P LIUMarine Department

Members:

Bulk Industry Mr. Edmund LAU (CLP, HKEC, GI Cement & Shui Wing Steel)

Container Terminal Mr. Eddy Y. K.MA (COSCO, HIT, CSXWT, MTL)

Mr. Gilbert LEUNG (River Trade Terminal)

Oil Industry Mr. C. M. KU (Caltex, CRC, Shell & ExxonMobil)

Mr. Anthony TAM (Town Gas, Aviation Fuel & HKPC)

Ship Repairs Industry Mr. Phileas Y. C. FONG (HUD)

Mr. K. T. IP (Yiu Liang +China Merchant)

Cruise Industry Mr. David YIP (Ocean Terminal)

Associations Mr. Neil M D RUSSELL (HK Liner Shipping Association)

Mr. Henry LEE (HK Container Terminal Operator Association)

Ex-official: Mr. T C SIN Marine Department

Mr. S M CHUNG Marine Department
Mr. K L LEE Marine Department
Mr. T C POON Hong Kong Police
Mr. C. J. WILSON Hong Kong Police

Secretary Mr. K K LAU Marine Department

Terms of Reference

To advise the Designated Authority on all matters relating to the implementation of the IMO International Ship and Port Facility (ISPS) Code in the Hong Kong Special Administrative Region including port area security requirements and ship/port interface matters.

Shipping Consultative Committee

(船舶諮詢委員會)

revised as 14/4/2004

	<u>Address</u>		E-mail Address	<u>First Date of</u> <u>Appointment</u>	•	<u>Date of</u> <u>Expiry</u>	
1.	Mr. Arthur Bowring Managing Director The Hong Kong Shipowners Association Limited 12/F., Queen's Centre 58-64 Queen's Road East HONG KONG	Tel. No: 2520 0206 Fax No.: 2529 8246 2865 1582	arthur.bowring@hksoa.org.hk	3.7.1997	3.7.1997	-	包榮
2.	Capt. L. C. CHAN Assistant General Manager Fleet Management Department Orient Overseas Container Line Ltd 31/F., Harbour Centre 25 Harbour Road Wan Chai HONG KONG	Tel. No: 2833 3166 M: 9267 6187 Fax No.: 2531 8246	l.c.chan@oocl.com	16.2.2001	16.2.2003	15.2.2005	陳洛貞
3.	Mr. M. A. Cresswell General Manager Fleet The China Navigation Co. Ltd 9/F., East Wing, Warwick House Taikoo Place, 979 King's Road Quarry Bay HONG KONG	Tel. No: 2840 8367 Fax No.: 2810 5268 2845 7978	martin.cresswell@cnco.com.hk	14.4.1997 commencing 1.4.1997	21.5.2003	20.5.2005	祁敏鈿
4.	Mr. Michael WONG Deputy Managing Director New Asian Shipping Co. Ltd 7/F., 118 Connaught Road West Hong Kong	Tel. No: 2507 6168 Fax No.: 2598 7735	michael.wong@nashk.com	14.4.1997	21.5.2003	20.5.2005	王應卓

	<u>Address</u>		<u>E-mail Address</u>	First Date of Appointment	Date of Last Appointment	<u>Date of</u> <u>Expiry</u>	
5.	Capt. Jude Correa Risk, Safety & Security Manager IndoChina Ship Management (HK) Ltd. 6/F., Tai Yau Building 181 Johnston Road Wan Chai HONG KONG	Tel. No: 2528 2295 Fax No.: 2807 3351	jcorrea@indochinaship.com	1.11.2002 (25.10.2002)	1.11.2002	30.10.2004	_
6.	Mr. TING Kam Yuen Chairman Hong Kong Seamen's Union A4 United Court, 2/F Jordan Road Kowloon HONG KONG	Tel. No: 2332 0766 Fax No.: 2770 2015	hksu1946@pacific.net.hk	1.4.1991 (11.3.1991)	21.5.2003	20.5.2005	丁錦源
7.	Capt. YU Chi Ming Executive Committee Member The Hong Kong Merchant Navy Officers' Guild Room 1401, Alliance Building 130 Connaught Road Central HONG KONG	Tel. No: 2545 8269 Fax No.: 2541 5064	mnoghk@mnoghk.org	8.11.2001	8.11.2003	7.11.2005	余志明
8.	Capt. Pradeep Chawla Director Anglo-Eastern Ship Management Ltd 23/F., 248 Queen's Road East Wan Chai HONG KONG	Tel. No: 2863 6108 Fax No.: 2861 2419	pchawla@angloeasterngroup.com pchawla@aesm.com	21.5.1999 (12.5.1999)	21.5.2003	20.5.2005	
9.	Capt. Jin Zhong Ming Vice President COSCO (H.K.) Shipping Co. Ltd 52/F., COSCO Tower 183 Queen's Road Central HONG KONG	Tel. No: 2809 8888 Fax No.: 2548 5653	jinzhm@cosco.com.hk	15.12.1999	21.5.2003	20.5.2005	金忠明

	<u>Address</u>		<u>E-mail Address</u>	First Date of Appointment	Date of Last Appointment	<u>Date of</u> <u>Expiry</u>	
10.	Mr. Gerry Buchanan Managing Director Wallem Shipmanagement Ltd 46/F., Hopewell Centre 183 Queen's Road East Wan Chai HONG KONG	Tel. No: 2876 8201 Direct Line Fax No.: 2876 1210	rgb@wallem.com	12.5.1999	21.5.2003	20.5.2005	布格倫
11.	Mr. Alastair MacAulay Partner Johnson Stokes & Master 17/F., Prince's Building 10 Chater Road HONG KONG	Tel. No: 2843 2211 Fax No.: 2845 9121 2103 5046	acm@jsm.com	12.5.1999	21.5.2003	20.5.2005	麥求理
12.	Mr. Rajaish Bajpaee President & Group Managing Director Eurasia Group of Companies 22A Floor, Chinachem Exchange Square 1 Hoi Wan Street Quarry Bay HONG KONG	Tel. No: 2561 8838 Fax No.: 2561 8803	bajpaee.r@eurasiagroup.com	12.5.1999	21.5.2003	20.5.2005	白智義
13.	Mr. Kishore S. Rajvanshy Managing Director Fleet Management Ltd Room 1703 Mass Mutual Tower 38 Gloucester Road HONG KONG	Tel. No: 2861 3511 Fax No.: 2528 1550	kishore@fleetship.com	12.5.1999	21.5.2003	20.5.2005	
14.	Mr. WANG Chun-lin Managing Director SINOTRANS Shipping Limited 21/F., Great Eagle Centre 23 Harbour Road Wan Chai Hong Kong	Tel. No.: 2827 1108 Fax No.: 2827 0490	wangcl@sinotranship.com	3.2.2004	3.2.2004	2.2.2006	王春林

<u>Address</u>		E-mail Address	First Date of Appointment	Date of Last Appointment	<u>Date of</u> <u>Expiry</u>
15. Capt. C.A.J. Vanderperre Chairman UNIVAN Ship Management Lin Suite 801, 8/F., Asian House 1 Hennessy Road Wan Chai Hong Kong	Tel.: No.: 2527 0058 mited Fax No.: 2861 0742	c.a.j.vanderperre@univan.com.hk	25.2.2004	25.2.2004	24.2.2006
16. Mr. Raymond K.B. Chan General Manager Wah Kwong Shipping Agency Company Limited 26/F., Shanghai Industrial Inves Building, 48-62 Hennessy Roa Hong Kong		wk@wahkwong.com.hk	15.4.2004	15.4.2004	14.4.2006

Port Facility Groups

(Updated on 20040513)

A. **Bulk Industry**

•	CLP Power HK Ltd.	
•	Hongkong Electric Co. Ltd.	Mr. Edmund Lau of the CLP is the newly nominated
•	Green Island Cement Co. Ltd.	representative for these 4 companies.
•	Shiu Wing Steel Ltd.	

B. <u>Container Terminals</u>

•	HIT	
•	MTL	Mr. Eddy Ma of HIT is currently the representative
•	CSX World Terminals	for these 5 terminals
•	COSCO-HIT	
•	Asia Container Terminal Ltd.	
•	River Trade Terminal Co. Ltd.	Mr. Gilbert LEUNG is representing the RTT.

C. Cruise Industry

 Ocean Terminal 	Mr. David YIP is representing the Terminal.
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D. Oil Industry

•	ExxonMobil	OIRC Member
•	Caltex	Mr. C. M. KU of ExxonMobil is representing these 4
•	CRC	oil companies.
•	Shell	
•	Town Gas	Non OIRC Member (Petrochemical Group)
•	HK Petrochem	Mr. Anthony Tam of Town Gas is representing these 3
•	Air Fuel	companies.

E. Ship Repairs Industry

•	HK United Dockyards Ltd.	Mr. Phileas Fong is the representative.				
•	Yiu Lian Dockyards Ltd.	Mr. K. T. IP of Yiu Lian is representing these 2	2			
•	China Merchant	companies.				