# 立法會 Legislative Council

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# Panel on Economic Development Meeting on 14 December 2010

# Background brief on proposed revision of fees and charges under the purview of the Marine Department

#### **Purpose**

This paper provides background information on the proposed revision of fees and charges under the purview of the Marine Department and summarizes concerns raised by Members on the matter.

# **Background**

- 2. In April 2009, the Administration proposed to reduce a total of 27 marine-related fees and charges under two fee groups, namely "Port and Light Dues and Related Activities for Ocean-going Vessels and River-trade Vessels" and "Hong Kong Shipping Register and Related Services". The proposal was made after a costing review based on the "user pays" principle, under which fees and charges should in general be set at levels adequate to recover the full cost of providing the services concerned. The Marine Department reviewed its day-to-day management and procedures and noted that the cost of their services could be reduced through implementing efficiency initiatives and streamlining procedures. In recent years, the Administration has implemented a number of marine-related fee reduction as one of the measures to enhance the competitiveness of the Hong Kong Port and the marine industry.
- 3. Four sets of amendment regulation namely the 《Shipping and Port Control (Amendment) Regulation 》, the 《Merchant Shipping (Local Vessels) (Fees) (Amendment) Regulation 》, the 《Merchant Shipping (Registration) (Fees and Charges) (Amendment) Regulation 》 and the 《Merchant Shipping (Seafarers) (Fees) (Amendment) Regulation 》 were gazetted on 15 May 2009 and tabled at the Legislative Council on 20 May 2009 to implement the

reduction of the following fees and charges:

- (a) reduce the port and arrival clearance fees charged on ocean-going vessels and vessels plying within the river-trade limits by 40%;
- (b) reduce the cap of the annual tonnage charges for ships registered in the Hong Kong Shipping Register (HKSR) by 23%;
- (c) reduce the fee for the issue of licences to officers manning Hong Kong ships by 44%; and
- (d) waive two types of registration fees and 20 types of Mercantile Marine Office miscellaneous charges under the ship registration and seafarers ordinances.
- 4. The proposed reduction would benefit all vessels entering the waters of Hong Kong and ship owners having their ships registered in HKSR. Waiving the charges in relation to the employment, registration and certification of local seafarers will help lower the cost of industry participants.

#### Views of the Panel on Economic Development

5. The Administration briefed the Panel on the Government's proposed reduction of fees and charges of 27 marine-related services at the meeting on 27 April 2009. While Panel members were in general supportive of the proposed reduction of fees and charges, some Panel members requested the Administration to consider further reduction in the fee for the issue of licence to officers manning Hong Kong ships (i.e. Deck Officers or Marine Engineer Officers) as many of them had been under-employed due to financial tsunami.

### **Latest development**

6. The Administration will brief the Panel at the meeting on 14 December 2010 its proposal to lower certain fees charged by the Marine Department.

#### References

7. The relevant papers are available at the following links:-

Administration's paper on proposed revision of fees and charges under the purview of the Marine Department <a href="http://www.legco.gov.hk/yr08-09/english/panels/edev/papers/edev0427cb1-1344-4-e.pdf">http://www.legco.gov.hk/yr08-09/english/panels/edev/papers/edev0427cb1-1344-4-e.pdf</a>

Minutes of the Panel meeting on 27 April 2009 <a href="http://www.legco.gov.hk/yr08-09/english/panels/edev/minutes/edev20090427">http://www.legco.gov.hk/yr08-09/english/panels/edev/minutes/edev20090427</a>.pdf

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