

立法會
Legislative Council

LC Paper No. CB(4)1212/18-19
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by the Administration)

Ref : CB4/PL/EDEV

Panel on Economic Development

Minutes of meeting
held on Monday, 27 May 2019, at 10:45 am
in Conference Room 1 of the Legislative Council Complex

Members present : Hon CHUNG Kwok-pan (Chairman)
Hon James TO Kun-sun
Hon WONG Ting-kwong, GBS, JP
Hon Starry LEE Wai-king, SBS, JP
Hon Claudia MO
Hon Steven HO Chun-yin, BBS
Hon Frankie YICK Chi-ming, SBS, JP
Hon YIU Si-wing, BBS
Hon Charles Peter MOK, JP
Hon Alvin YEUNG
Hon CHU Hoi-dick
Hon Jimmy NG Wing-ka, JP
Dr Hon Junius HO Kwan-yiu, JP
Hon Holden CHOW Ho-ding
Hon SHIU Ka-fai
Hon CHAN Chun-ying, JP
Hon LUK Chung-hung, JP
Hon Jeremy TAM Man-ho

Members absent : Hon WU Chi-wai, MH (Deputy Chairman)
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon WONG Kwok-kin, SBS, JP
Hon Paul TSE Wai-chun, JP
Hon Michael TIEN Puk-sun, BBS, JP
Hon Kenneth LEUNG
Hon Alice MAK Mei-kuen, BBS, JP

Hon Dennis KWOK Wing-hang
Dr Hon Elizabeth QUAT, BBS, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon Andrew WAN Siu-kin

Public Officers attending : Agenda item III

Ms Angela LEE
Deputy Secretary for Transport and Housing
(Transport) 5

Mr WONG Sai-fat
Deputy Director of Marine

Miss Vicky CHEUNG
Principal Assistant Secretary for Transport and Housing
(Transport) 11

Mr SHI Qiang
General Manager (Ships Safety Branch)
Marine Department

Agenda item IV

Mr Wallace LAU, JP
Deputy Secretary for Transport and Housing (Transport) 4

Mr Richard WU, JP
Assistant Director-General of Civil Aviation (Airport Standards)

Miss Clara WONG
Chief Safety Officer (Airport and Safety Regulation)
Civil Aviation Department

Miss Jennifer WAN
Safety Officer (Dangerous Goods) 2
Civil Aviation Department

Clerk in attendance : Ms Shirley CHAN
Chief Council Secretary (4)5

Staff in attendance : Mr Bonny LOO
Assistant Legal Adviser 4 (agenda item IV only)

Ms Shirley TAM
Senior Council Secretary (4)5

Ms Lauren LI
Council Secretary (4)5

Miss Mandy LUI
Legislative Assistant (4)5 (Acting)

Action

I. Information papers issued since the last meeting

(LC Paper No. CB(4)833/18-19(01) — Letter from Hon WU Chi-wai dated 29 April 2019 regarding the land formation works for the construction of the three-runway system project at the Hong Kong International Airport (Chinese version only)

LC Paper No. CB(4)833/18-19(02) — Letter from Hon Jeremy TAM Man-ho dated 2 May 2019 regarding major construction works contracts awarded for the three-runway system project at the Hong Kong International Airport (Chinese version only)

LC Paper No. CB(4)845/18-19(01) — Administration's response to the letter from Mayer Brown representing the China LNG Shipping (International) Co. Limited on the Government's proposal to amend the Pilotage Ordinance (Cap. 84) and the Pilotage (Dues) Order (Cap. 84D)

LC Paper No. CB(4)847/18-19(01) — Administration's paper on tables and graphs showing the import and retail prices of major oil products from April 2017 to March 2019)

Members noted the above papers issued since the last regular meeting.

II. Items for discussion at the next meeting

(LC Paper No. CB(4)897/18-19(01) — List of outstanding items for discussion

LC Paper No. CB(4)897/18-19(02) — List of follow-up actions)

2. Members agreed to discuss the following items at the next regular meeting scheduled for Monday, 24 June 2019 at 10:45 am –

- (a) Resources proposals relating to the government facilities and equipment to support the three-runway system ("3RS") at the Hong Kong International Airport ("HKIA"); and
- (b) Legislative proposal for regulating the operations of small unmanned aircraft in Hong Kong.

(Post-meeting note: At the request of the Administration and with the concurrence of the Chairman, a new item on "Smart Airport Development at Hong Kong International Airport" was added to the agenda of the above meeting while item 2(a) above was deferred to a future meeting.)

3. Referring to the invitation letter from the Airport Authority Hong Kong ("AAHK") issued on 26 April 2019 regarding a visit to 3RS project site [LC Paper No. CB(4)809/18-19(01)], the Chairman informed members that the visit was tentatively scheduled for mid July 2019 and further details would be provided to members in due course.

(Post-meeting note: The visit to the 3RS project site had been deferred to a later date.)

III. Enhancement of the services of the Hong Kong Shipping Registry

(LC Paper No. CB(4)897/18-19(03) — Administration's paper on enhancement of the services of the Hong Kong Shipping Registry

LC Paper No. CB(4)897/18-19(04) — Paper on the Hong Kong Shipping Registry prepared by the Legislative Council Secretariat (background brief))

Presentation by the Administration

4. At the invitation of the Chairman, Deputy Secretary for Transport and Housing (Transport) 5 ("DSTH5") briefed members on the Administration's three proposed improvement measures to further enhance the quality and competitiveness of services provided by the Hong Kong Shipping Registry ("HKSR"). Such measures included delegation of power in issuing exemptions currently vested in the Director of Marine ("D of M") to other officers of the Marine Department ("MD"); establishment of the HKSR Regional Desks; and facilitating the use of electronic certificates ("e-certs"). The Administration aimed at introducing the relevant legislative amendments into the Legislative Council ("LegCo") for negative vetting within 2019. Details of the briefing were set out in the paper provided by the Administration (LC Paper No. CB(4)897/18-19(03)).

Discussion

The proposed improvement measures

5. Mr Frankie YICK expressed support for the three proposed improvement measures. He was of the view that the proposed delegation arrangement and the use of e-certs would enhance the efficiency of shipping operations. He also considered it essential to set up HKSR Regional Desks to cater for the need of Hong Kong registered ships around the world.

6. While expressing support for the three proposed improvement measures, Mr YIU Si-wing was worried that the proposed delegation of power in issuing exemptions might undermine the credibility of HKSR, as officers at lower ranks than D of M would be empowered to issue exemptions. He enquired about the current arrangements of other flag administrations in issuing exemptions.

7. DSTH5 explained that certain exemptions, having regard to their nature, complexity and implications, would still be issued by D of M after the delegation arrangements had been implemented. MD would set out the approving authority for different types of ship exemptions with a view to maintaining a balance between offering swift support to shipowners and ensuring the standard of regulation. She advised that an internal reporting mechanism would be devised within MD, under which cases of exemptions issued would be reported to D of M or Deputy Director of Marine ("DD of M") on a regular basis.

8. Mr Jeremy TAM supported the three proposed improvement measures. He called on the Administration to expedite the work on establishing the HKSR Regional Desks, and suggested establishing an HKSR Regional Desk in the Middle East to widen HKSR's service network.

9. Mr YIU Si-wing enquired about the future development of HKSR Regional Desks, and asked if such arrangement would be extended to countries/regions other than the proposed locations. In response, DSTH5 advised that tentatively, a total of seven Regional Desks of HKSR would be set up in selected overseas and Mainland Economic and Trade Offices by phases. It was expected that three such offices would be set up in the first phase. To facilitate the provision of more direct and prompt support for Hong Kong registered ships at ports outside Hong Kong, the Regional Desks would be located in areas frequented by Hong Kong registered ships and would cover different time zones.

10. Mr Holden CHOW commended the Administration for its effort in enhancing HKSR's services to address the needs of the industry. Noting that the current D of M's power in issuing exemptions would be delegated to other officers of MD, he enquired if adequate manpower would be deployed in the HKSR Regional Desks to facilitate round-the-clock issuance of exemptions at these offices, and sought information on the organization structure of the HKSR Regional Desks.

11. DSTH5 advised that no additional manpower would be required for the proposed delegation arrangement. As regards the organization structure of the HKSR Regional Desks, seven civil service positions, including five senior Surveyors of Ships, one senior Marine Officer and one Surveyor of Ships, were to be created in phases. DD of M added that the HKSR Regional Desks would be located in various time zones to facilitate the provision of round-the-clock services by HKSR, including issuing exemptions, at ports outside Hong Kong.

Development of HKSR

12. Mr YIU Si-wing noted that growth had been recorded in terms of the total number as well as the total gross tonnage of ships registered under HKSR from 2014 to 2019. He asked if the growth was attributable to the commissioning of the Kai Tak Cruise Terminal ("KTCT") in 2014, which might have attracted more cruise ships to register under HKSR. He further enquired if there was a marked rise in the number of cruise ships registered under HKSR since the commissioning of KTCT.

13. DD of M advised that the number of cruise ships registered under HKSR had remained just about the same in the past few years. Relevant legislation stipulated that while survey and certification of cargo ships registered under HKSR could be carried out by classification societies authorized by MD, survey and certification of Hong Kong registered cruise ships should be carried out by the Government's Surveyors of Ships. The Administration would review the relevant requirement should the need arise in future.

14. The Chairman noted that HKSR was the fourth largest shipping registry in the world in terms of total registered gross tonnage. He asked about the growth of HKSR in terms of total registered gross tonnage in comparison with the performance of the three shipping registries that ranked above HKSR. He also urged the Administration to devise further improvement measures to enhance the competitiveness of HKSR with other shipping registries in the world.

15. DSTH5 advised that shipowners usually took into account a basket of factors when considering under which shipping registry they would register their vessels. These factors included the reputation, fees and services of a shipping registry. She pointed out that Hong Kong registered ships were among the best performers in the world, with port state control detention rate standing at only 0.82% in 2018, which was significantly lower than the global average of 2.68% for the year. The Administration would strive to maintain such outstanding performance in order to attract more vessels to register under HKSR. General Manager (Ships Safety Branch) of MD supplemented the meeting with information that at present, the top three shipping registries in terms of total registered gross tonnage were Panama, Liberia and the Marshall Islands.

Motion

16. Mr Holden CHOW moved the following motion which was seconded by Mr WONG Ting-kwong –

"本委員會要求政府於落實船舶註冊處下放權力於高級專業人員處理部分船舶豁免批示之時，同時進一步加強 24 小時處理個案安排，包括考慮確保未來位於世界各地之區域支援團隊配以足夠人手協助處理豁免批示，更有效地實踐 24 小時服務支援，以提升效率。"

(Translation)

"This Panel urges that the Government, while implementing in HKSR the proposal of delegating the power of handling certain ship exemptions to senior professionals, should further enhance the arrangement for round-the-clock case handling concurrently, including taking into account the factor of ensuring HKSR Regional Desks to be established in different parts of the world in future are adequately manned to assist in handling approval for exemptions, so as to deliver round-the-clock support services more effectively with a view to enhancing efficiency."

17. Mr Jeremy TAM proposed an amendment to the motion moved by Mr Holden CHOW by making changes (shown in bold and italic type) as follows –

"本委員會要求政府於落實船舶註冊處下放權力於高級專業人員處理部分船舶豁免批示之時，同時進一步加強 24 小時處理個案安排，包括 **考慮**確保未來位於 **世界各地之區域香港的**支援團隊配以足夠人手協助處理 **世界各地的**豁免批示，更有效地實踐 24 小時服務支援，以提升效率。"

(Translation)

"This Panel urges that the Government, while implementing in HKSR the proposal of delegating the power of handling certain ship exemptions to senior professionals, should further enhance the arrangement for round-the-clock case handling concurrently, including ***taking into account the factor of*** ensuring HKSR Regional Desks to be established in ***different parts of the world-Hong Kong*** in future are adequately manned to assist in approval for exemptions ***in different parts of the world***, so as to deliver round-the-clock support services more effectively with a view to enhancing efficiency."

18. Mr Frankie YICK also proposed an amendment to the motion moved by Mr Holden CHOW by making changes (shown in bold and italic type) as follows –

"本委員會要求政府於落實船舶註冊處下放權力於高級專業人員處理部分船舶豁免批示之時，同時進一步加強 24 小時處理個案安排，包括考慮確保未來位於**香港及**世界各地之區域支援團隊配以足夠人手協助處理**因任何事故而引致扣留的情況及**豁免批示**等**，更有效地實踐 24 小時服務支援，以提升效率。"

(Translation)

"This Panel urges that the Government, while implementing in HKSAR the proposal of delegating the power of handling certain ship exemptions to senior professionals, should further enhance the arrangement for round-the-clock case handling concurrently, including taking into account the factor of ensuring HKSAR Regional Desks to be established in **Hong Kong and** different parts of the world in future are adequately manned to assist in handling **ship detention due to any incidents and** approval for exemptions **etc.**, so as to deliver round-the-clock support services more effectively with a view to enhancing efficiency."

19. The Chairman considered that the motion and the amendments were directly related to the agenda item for the purposes of rule 22(p) of the House Rules. Members agreed that the motion and the amendments should be dealt with at the meeting. Members also agreed that the amendment proposed by Mr Frankie YICK should be voted on first. If the amendment was passed, there was no need to vote on the amendment proposed by Mr Jeremy TAM and the original motion proposed by Mr Holden CHOW. As directed by the Chairman, the voting bell was rung for five minutes.

20. The Chairman put the amendment proposed by Mr Frankie YICK to vote. All members who took part in the voting voted for the amendment. The Chairman declared that the amendment proposed by Mr YICK (i.e. Mr Holden CHOW's original motion as amended by Mr YICK) was carried.

(*Post-meeting note: The Administration's response to the motion was issued to members vide LC Paper No. CB(4)1056/18-19(01) on 25 June 2019.*)

Conclusion

21. The Chairman concluded that the Panel was generally supportive of the improvement measures proposed by the Administration to enhance the services provided by HKSR.

IV. Proposed legislative amendments relating to the carriage of dangerous goods by air

(LC Paper No. CB(4)897/18-19(05) — Administration's paper on proposed legislative amendments relating to the carriage of dangerous goods by air)

Presentation by the Administration

22. At the invitation of the Chairman, Deputy Secretary for Transport and Housing (Transport) 4 ("DSTH4") briefed members on the proposed legislative amendments to implement in Hong Kong the latest standards for the safe transport of dangerous goods ("DG") by air as set out in the 2019-2020 edition of Technical Instructions for the Safe Transport of Dangerous Goods by Air ("TIs") promulgated by the International Civil Aviation Organization ("ICAO") in November 2018. With the aid of powerpoint presentation material, Chief Safety Officer (Airport and Safety Regulation) of the Civil Aviation Department ("CAD") elaborated the legislative proposals further. Details were set out in LC Paper No. CB(4)897/18-19(05).

(Post-meeting note: The powerpoint presentation material provided by the Administration was issued to members vide LC Paper No. CB(4)935/18-19(01) on 28 May 2019.)

Discussion

Dangerous goods carried by passengers and crew

23. Mr CHAN Chun-ying expressed support for the proposed legislative amendments given that China recognized the international rights and obligations arising from the Convention on International Civil Aviation and its associated regulations, and these rights and obligations were also applicable to Hong Kong. Pointing out the importance of providing clear information on ICAO's latest standards to the public so as to avoid inadvertent breaches of the

requirements, he called on the Administration to improve the clarity on the relevant information set out in the Packing Tips for Air Passengers ("Packing Tips") available on CAD's website. In particular, he was concerned whether the maximum volume of toiletry articles allowed to be carried by passengers in their cabin baggage would be based on the container volume (whether fully or partially filled) or the actual volume of the article filled in the container.

24. Assistant Director-General of Civil Aviation (Airport Standards) ("ADGCA(APS)") replied that to meet ICAO's requirements on the carriage of liquids, aerosols and gels in cabin baggage, the maximum quantity of toiletry articles allowed to be carried by passengers in their cabin baggage would be based on the capacity of the container, even though it was only partially filled.

25. Mr Jeremy TAM considered it difficult to quickly find out the details of ICAO's latest standards, particularly about Part 8 of the TIs which specified the types of DG that passengers and crew might carry on board an aircraft, based on the information provided in Administration's paper and on CAD's website. To facilitate Members' consideration of the legislative proposals, he called on the Administration to supplement the information with hyperlinks to facilitate access to the relevant documents on CAD's website when the proposals were submitted to LegCo. ADGCA(APS) thanked Mr Tam for his suggestion and supplemented that a specific icon had been provided on the frontpage of the CAD's website to facilitate quick access to the requirements relating to DG to be carried on board by passengers and crew.

26. Mr CHAN Chun-ying noted that with effect from 1 January 2019, aircraft and airport operators, shippers and freight forwarders were required to comply with the latest amendments to the TIs promulgated by ICAO. He asked about the compliance situation and if there were any controversial issues. In response, ADGCA(APS) advised that the new standards had been smoothly implemented without major issues so far.

27. Noting the new segregation requirement in packing lithium batteries and flammable items, Mr YIU Si-wing asked about the specific arrangements for persons who needed to use both the oxygen supply devices and electric wheelchair during air travel. He also sought information on the requirements as regards the use of smart luggage with built-in lithium battery and suggested that airport personnel involved in luggage checking should be reminded to be patient in explaining the new requirements to visitors so as to sustain Hong Kong's tourism image as a hospitable city.

28. DSTH4 said that smart luggage featured integrated lithium batteries for the purpose of charging an external device or to provide power to the wheels of

the luggage. According to the new requirement, if passengers wished to check in the smart luggage, they must remove the lithium battery from the smart luggage and carry the removed battery in the carry-on baggage. If the battery could not be removed, the luggage could not be checked in and should be carried by passengers as carry-on baggage on board the aircraft. Similar practices also applied to other new smart products such as smart backpack and smart jacket which had integrated lithium batteries. He added that individual airlines might impose different additional requirements and restrictions on the carriage of smart products on board aircraft. Passengers were advised to contact their airline concerned before departure should they had any query about the requirements and restrictions applicable to the carriage of smart items.

29. ADGCA(APS) supplemented that passengers intending to bring mobility aid such as electric wheelchair and/or special medical items such as oxygen cylinders on board the aircraft should consult and make prior arrangements with relevant airlines. They should also check the Packing Tips on CAD's website prior to the trip. ADGCA(APS) also said that aircraft and airport operators, shippers and freight forwarders would provide suitable training to their staff on the new requirements. Airport personnel involved in luggage checking would be reminded to explain the new requirements to their customers and passengers with patience.

Cargo containing dangerous goods

30. Mr Frankie YICK had no objection to the proposed legislative amendments given that the new requirements had already been put into practice administratively in Hong Kong. Nevertheless, he raised concern about the carriage of undeclared lithium batteries in air cargo consignments which posed safety concern. Although he understood from the Administration that there were difficulties to resolve the issue as many of those consignments were originated from the Mainland which was outside Hong Kong's jurisdiction, he suggested that the Administration should establish a reporting system with the Mainland and impose heavier penalties on the involved freight forwarders and shippers so as to achieve a greater deterrent effect.

31. DSTH4 noted the concern on the air transport of lithium batteries. He said that, according to the records on the number of incidents relating to the air transport of DG (including lithium batteries), incidents relating to the air transport of DG in cargo peaked at 118 in 2014 while incidents relating to the air transport of DG in passenger luggage peaked at 1,817 in 2016.

32. ADGCA(APS) supplemented that the Administration attached great importance to resolving the issue in relation to the air transport of undeclared and mis-declared lithium batteries given the rapid development of e-commerce business in recent years. Under the collaboration between CAD and the air cargo industry including the Hong Kong Shippers' Council and the Hongkong Association of Freight Forwarding and Logistics Ltd, shippers and freight forwarders were required to step up monitoring measures on their air consignments, and any shipper and/or freight forwarder involved in undeclared and mis-declared DG occurrences would be subject to closer monitoring and additional inspection requirements. They might also be liable for prosecution and penalties due to contravention of DG regulations. Information on the occurrences involving shippers and/or freight forwarders from the Mainland would be relayed to the relevant Mainland authorities for follow-up actions.

Conclusion

33. The Chairman concluded that the Panel was generally supportive of the proposed legislative amendments put forward by the Administration.

V. Any other business

34. There being no other business, the meeting ended at 11:51 am.

Council Business Division 4
Legislative Council Secretariat
11 September 2019