

## **PILOTAGE ADVISORY COMMITTEE MINUTES OF MEETING**

Date : 12 July 2018 (Thursday)  
Place : Conference Room A, 24/F, Harbour Building  
Time : 9:30 a.m.

### **Present**

Chairman:	S F WONG	Deputy Director, Marine Department (“MD”)
Members:	MA Kam-fai, Henry	Hong Kong Liner Shipping Association (“HKLSA”)
	NG Che-kan, Deforest	Shipping Agencies
	NING Fuk-kei, Franco	Container Terminal Operators
	CHU Wai-leung	Oil Terminal Operators
	YIP Hang-hong	Dockyard Industry
	CHOW Shiu-bong, Cliff	Tug Operators
	ZHOU Wei	Master Mariner
	CHAN Kam-wing	Master Mariner
	TSANG Cheuk-yin, Joe	Master Mariner
	LEE Koon-wah, Bruce	Licensed Pilot
	LAW Kwun-pan, Marso	Licensed Pilot
	C T LAI	Assistant Director / Port Control (“AD/PC”), MD
	W H WONG	General Manager / Vessel Traffic Services (“GM/VTS”), MD
	Y W LEE	Surveyor of Ships (Nautical) Examiner, MD
Secretary:	Anson MC SINN	Executive Officer (Committee & General), MD

**In attendance**

HUANG Jihe	Senior Marine Officer / Vessel Traffic Centre (“VTC”), MD
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**Absent with apologies**

LAM Ming-fung, Lothair	Hong Kong Shipowners Association
Ms LU Zheng, Caroline	Dry Bulk Cargo Operators
YIM Kong, Erik	Break Bulk Cargo Operators

## **I. (a) Opening Remarks**

Action

1. The Chairman extended his welcome to all the members. Members were requested to adjust their mobile phones to silent mode.

### **(b) Interview of pilot apprentices-to-be**

2. The Chairman said that PAC would interview the following four candidates in sequence to test their suitability for being apprentice pilots –
  - (i) Mr Chan Pak-kin
  - (ii) Mr Ip Ka-chun
  - (iii) Mr Lam Elford
  - (iv) Mr Ng Wai-shuen, Deneb
3. All the members (including the Chairman) of PAC declared no actual/perceived / potential conflict of interest.
4. The four candidates were asked to brief PAC on their maritime study and work experience, in particular their experience in manoeuvring ocean-going vessels and how to equip themselves with such navigational skills and knowledge. They were also asked about the vision and core competence of being a pilot, the differences between the manoeuvrability of bulk carriers and container vessels, the potential effect of the reclamation works in the vicinity of Western Harbour with respect to navigational safety, etc.
5. In response to an enquiry by Henry Ma, HKLSA, the Chairman, supplemented by GM/VTS, replied that communication skill and the candidates' aptitude would be of prime assessment criteria. A pilot should possess effective communication skills to interact with the bridge team and communicate with different parties including VTC of MD, especially in the events of emergency. Since the candidates had possessed the prescribed qualification (i.e. Certificate of Competency (Deck Officer) Class 1), PAC would usually not question about their professionalism. Should the candidates pass the interview to become apprentices, it was understood that HKPA would provide ongoing training for the apprentices to gain skills and knowledge in pilotage. To attain further as a licensed pilot, the apprentice ought to pass oral and written examinations arranged by MD for advancement to different classes of a pilot.

6. PAC considered the interview performance of the four candidates ranging from satisfactory to impressive. One of the candidates did not understand the phrase “reclamation works” and thus gave an irrelevant response. As such, there was room for improvement to enhance his communication skill in English. That candidate was advised to take an English course to brush up his proficiency in English.

***Post-meeting note:*** With the approval from the Pilotage Authority, the four candidates in para. 2 above registered as apprentice pilots on 12 July 2018.

7. In response to a suggestion by Joe Tsang, master mariner, the Chairman directed that the PAC working group would explore any need for pilot apprentices-to-be to possess any certificate of standardised examination (e.g. IELTS or HKDSE or equivalent) as a proof of attaining satisfactory English proficiency.

PAC  
WG

## **II. Confirmation of the minutes of the last meeting**

8. The minutes of last PAC meeting held on 13 December 2017 were confirmed without amendment.

***Post-meeting note:*** The meeting minutes were uploaded to the website on 17 July 2018.

## **III. New Item – Presentation by HKPA on preparation for the provision of pilotage services in Mirs Bay**

9. Bruce Lee, licensed pilot gave a presentation and reassured members that necessary arrangements would be ready for implementation of compulsory pilotage in Mirs Bay. Members were asked to refer to ***Annex I*** tabled at the meeting. Members exchanged views, including -

- (i) Manpower:

While the meeting noted that provision of a new service would not necessarily lead to the need of an increase of manpower level, Henry Ma, HKLSA and Franco Ning, container terminal operators would like HKPA to convince service users that HKPA would be able to maintain its standard of providing pilotage service in Mirs Bay under normal weather and inclement weather conditions by updating members on HKPA’s

manpower position. They would also like HKPA to beef up pilot booking arrangements and procedures under inclement weather.

HKPA presented its manpower schedule at *Annex II* for members' reference. With views exchanged, the meeting noted that HKPA was confident in providing satisfactory services for their clients.

***Post-meeting note:*** In response to enquiries by Henry Ma, HKLSA about manpower calculation and working hours vide an email of 26 September 2018 subsequent to the meeting, the Chairman of HKPA replied to HKLSA via email on 17 January 2019.

(ii) Shenzhen pilots and HKPA:

In response to an enquiry by Henry Ma, HKLSA, the Chairman replied that MD would sort out operational issues as appropriate with the Shenzhen side, and would also promulgate an official notice about the commencement of pilotage in Mirs Bay. Where appropriate, MD would also hold a briefing to disseminate information on pilotage in Mirs Bay to port users.

MD

(iii) AIS and VHF:

MD advised HKPA to explore other locations (e.g. Ping Chau 東平洲) to install VHF. Since the collection of AIS and radar data by MD was primarily for port control and marine traffic, MD could not re-distribute the raw data of AIS to HKPA due to statutory compliance with the privacy regime. Instead, HKPA would be able to access processed VTS data via the Opsview online application with an user account provided by MD. Alternatively, HKPA might consider procuring commercial AIS data from private companies.

HKPA

(iv) Mooring buoys for tugs, pilot boats and pontoon:

MD colleagues had earlier informed HKPA the reason for turning down their private mooring application at Science Park given that the proposed location was too close to residential areas whereas there were reclamation projects in Tide Cove (沙田海). MD advised HKPA to explore other locations for private moorings.

HKPA

(v) Drill:

The meeting agreed to conduct a drill prior to official commencement of pilotage in Mirs Bay. MD would alert other departments including the Police Force and the Fire Services Department nearer the time.

MD

(vi) Timeframe:

In response to an enquiry by Bruce Lee, licensed pilot, the Chairman replied that the legislative amendments cleared by the Law Draftsman would likely be laid on the table of LegCo for negative vetting after its summer recess.

#### IV. Any Other Business

10. Bruce Lee, licensed pilot distributed two documents entitled “Simulation training for pilots” (*Annex III*) and “Proposed pilotage dues adjustment mechanism” (*Annex IV*) at the meeting. The Chairman considered that, in the light of intricacy of the issues, meetings at working group level to be chaired by GM/VTS should first be convened to examine the two topics.

PAC  
WG

*Post-meeting note:* A working group meeting was held on 31 October 2018 to address the issues at para. 10 above.

11. In response to an enquiry by Franco Ning, container terminal operators and Cliff Chow, tug operators, AD/PC said that, as mentioned in previous meetings, the use of tugs would be a readily available option for safety reasons. However, as tugs were not primarily designed for the boarding and disembarkation of pilots, tugs were not cost effective. Therefore, HKPA should explore the feasibility and practicability of employing purpose-built pilot launches for safe boarding and disembarkation of pilots in Mirs Bay. It had also been earlier proposed [*post-meeting note:* vide para. 14 of PAC Paper No. 8/2017] that the associated tug cost should be reviewed not more than two years after provisioning of pilotage service in Mirs Bay be commissioned. Cliff Chow, tug operators commented that while he had affirmed at the last meeting that the tug cost of HK\$15,900 per voyage would be reasonable having gone through a strict procurement process via open tender by HKPA and given that there was a precedent case of using tug worth 6-digit number to provide one-off pilotage service in Mirs Bay [*post-meeting note:* cf. para. 20 of the last PAC meeting minutes], he wished HKPA to review the use of tugs since

tugs were not usually for pilot boarding and disembarkation. Bruce Lee, licensed pilot on behalf of HKPA said that the use of tugs would be a prudent choice for provision of pilotage services in Mirs Bay in light of the unpredictable inclement weather. However, as appealed by the industry, HKPA would review the pilot boarding and disembarkation arrangement as soon as practicable upon commencement of pilotage services in Mirs Bay.

HKPA

12. In response to an enquiry by Franco Ning, container terminal operators, the Chairman replied that most PAC members had no objection to MD's consolidated proposal of pilotage dues for Mirs Bay pilotage services at the last PAC meeting of 13 December 2017 except for HKLSA and HKPA. HKLSA objected in principle to the proposed implementation of compulsory pilotage apart from disagreeing with the calculation of additional pilotage dues whereas HKPA supported the implementation of pilotage in Mirs Bay but objected to the calculation of additional pilotage dues. For details, please refer to paras. 17, 23 and 24 of the last PAC meeting minutes and LegCo Panel on Economic Development paper dated 25 June 2018 entitled "Proposed amendments to the Pilotage Ordinance (Cap. 84) and the Pilotage (Dues) Order (Cap. 84D)" (*Annex V*) which was tabled at the meeting.

13. In response to an enquiry by Henry Ma, HKLSA, AD/PC said that while the dredging works in Kwai Tsing Container Basin had been substantially completed, the outstanding rock excavation works at the seabed of the container basin was still in progress. AD/PC continued that MD would consider appropriate measures such as issuing a Marine Department Notice to inform port users of the update made to the relevant nautical charts on the depths of the container basin and the completion of the project nearer the time. It was noted that this item had also been raised at the recent Port Operations Committee meeting held in May 2018.

MD

## **VI. Date of Next Meeting**

14. The meeting adjourned at 12:45 p.m. The date of the next meeting would be announced in due course.

**The minutes of the meeting were confirmed on 14 January 2019.**

Distribution list

Chairman, PAC  
Members, PAC  
SMO/VTC, MD

Committee Unit  
Marine Department  
*Ref.:* L/M No. (19) in HQ/COM 928/29 (28)



## Annex I

### Preparation for the provision of pilotage services in Mirs Bay

Items	Description	Remarks
1. Mirs Bay Pilotage	<ul style="list-style-type: none"> <li>• To provide pilotage service in the area</li> </ul>	HKPA ready as from 1-Sept-2018
2. Pilot Manpower Schedule	• Total number of pilots in service: 107 pilots	Up to date 2018
	• Number of Class I pilots: 87 pilots	Up to date 2018
	• Number of Class II pilots: 20 pilots	Up to date 2018
	• Apprentice under training: 3 persons	Expected in service by 3 <sup>rd</sup> quarter 2018
	• Apprentice under recruit: 4 persons	Expected in service by 1 <sup>st</sup> quarter 2019
3. Tug (pilot embark / disembark) and Pilot Boat	• Tug tender	Completed May-2017
	• Tug service and modification	Ready by end of August -2018
	• Pilot boat	All ready
4. Pilotage Booking System	<ul style="list-style-type: none"> <li>• Fax and E-Booking</li> </ul>	All ready
5. Shenzhen Pilots and HKPA	<ul style="list-style-type: none"> <li>• Pilotage operations, pilot exchange, pilot booking, typhoon and fog procedures, pilotage suspension and resumption, etc.</li> </ul>	Operation mode more or less same as URMPS, meetings to be arranged and ready by end July-2018
6. Liners and Agents	• Liaison of shipping liners and agents for Mirs Bay pilotage	Notice with operation procedure when start date confirmed by Port Authority
	• Pilot booking arrangement and procedure	
	• Information exchange of vessel ETA and ETD	

## Annex I (Cont'd)

### Preparation for the provision of pilotage services in Mirs Bay

Items	Description	Remarks
7. Miscellaneous	<ul style="list-style-type: none"> <li>• VHF channel 11</li> </ul>	Liaison with MD, assistance required
	<ul style="list-style-type: none"> <li>• VTC reporting points and procedure</li> </ul>	Liaison with MD
	<ul style="list-style-type: none"> <li>• Emergency situations and procedures, anchoring, engine breakdown, man overboard, etc.</li> </ul>	Liaison with MD
	<ul style="list-style-type: none"> <li>• AIS data for vessel movement monitoring</li> </ul>	Liaison with MD, assistance required
	<ul style="list-style-type: none"> <li>• Mooring buoys for pilot boats and pontoon</li> </ul>	At areas off Hong Kong Science Park, not successful and location not suitable regarding MD reply on 18-Apr-2018, application for other locations and MD assistance required.
	<ul style="list-style-type: none"> <li>• Mooring buoys for tugs</li> </ul>	Under application by tug vendor, MD assistance required
	<ul style="list-style-type: none"> <li>• Mirs Bay weather / sea / typhoon information</li> </ul>	Liaison with Hong Kong Observatory

## Preparation for The Provision of Pilotage Services in Mirs Bay

Post-meeting note of PAC meeting of 12 July 2018

<b>HKPA Pilot Manpower Schedule</b>	<b>2018</b>	<b>2008</b>
Total number of pilots in service	107	102
Class I	87	77
Class II	20	25
Class I : Class II	4.35 : 1	3.08 : 1
Apprentice under training (expected in service by 3rd quarter 2018)	3	
Apprentice under recruit (expected in service by 1st quarter 2019)	4	
<b>HKPA Pilot Order Statistic (Harbour)</b>	<b>1-Jun-2017 ~ 31-May-2018</b>	<b>1-Jun-2007 ~ 31-May-2008</b>
Total service orders per year	57403	70972
Average service orders per day	157.27	194.44
Highest service orders per day	207	264
Calculated service orders capacity per day per 107 pilots	277	
<b>Mirs Bay Pilot Order Statistic (Chinese Pilot required)</b>	<b>1-Jun-2017 ~ 31-May-2018</b>	
<b>*See Note 1 for reference</b>		
Total service orders per year	8601	
Average service orders per day	23.56	
Average service orders per day x 2 (Mirs Bay service time = Harbour service time x 2) =Mirs Bay pilotage orders by HK Pilot	47.12	
<b>Mirs Bay Pilot Order Statistic (Statistic by China Ministry of Transport)</b>	<b>1-Jan-2016 ~ 31-Dec-2016</b>	
Total service orders per year	10292	
Average service orders per day	28.19	
Average service orders per day x 2 (Mirs Bay service time = Harbour service time x 2) = Mirs Bay pilotage orders by HK Pilot	56.39	
<b>Pilot Order Statistic (Harbour and Mirs Bay)</b>		
Calculated service orders capacity per day per 107 pilots	277	
Average service orders per day (Harbour)	(-) 157.27	
Average service orders per day (Mirs Bay statistic by China Ministry of Transport)	(-) 56.39	
Spare service orders capacity per day per 107 pilots (Harbour and Mirs Bay)	(=) 63.34	

Note 1: Shenzhen Pilot Order Statistic website ( <http://yh.z.sztb.gov.cn/ygyh/tjzl/> )

### Simulation Training for Pilots

#### Objective

The aim of this paper is to clarify the principle of simulation training in the context of the newly-adopted training requirements on the training, assessment and examination for the advancement of pilots.

#### Background

2. Simulation training has always been one of HKPA's in-house requirements for pilots. In the 1990s, training was conducted at a primitive ship simulator developed by Hongkong PolyU in HKPA's office.

3. Following the installation of a full-mission ship simulator in Marine Department Training Centre in 2000, HKPA has taken the initiative to hire this simulation facilities with a view to bolstering their pilotage training.

4. Prior to 2016, Marine Department had no simulation training requirements on pilotage training. Following the re-structuring of Class II pilot into six classes, HKPA's internal simulation training, practical training, and assessment requirements were fully adopted and endorsed by PAC in June 2016.

#### Difference between Training and Assessment

5. In literal terms, "Training" is an action of teaching trainees new skills and knowledge while "Assessment" is a means to examine whether such skills and knowledge have been proficiently acquired by the trainees.

6. In Annex III of PAC Paper No.5/2016 (appendix I), there are four key requirements to be met by pilots for each license upgrading, namely:

- (1) Simulation Training (MD and HKPA);
- (2) Practical Training (HKPA);
- (3) Practical Assessments (HKPA); and
- (4) Examinations (MD and HKPA).

7. In essence, the first two components are pure training requirements in nature aiming to provide the trainees with the necessary skills and knowledge before presenting themselves for assessments and examinations. Training is not about passing or failing a trainee but to impart knowledge and identify additional training needs to be followed up by the appointed mentor and training officer. The gaps identified would be addressed by subsequent targeted training including one-on-one lectures, practical training, group seminars and overseas courses, not necessarily by retaking the simulation training.

8. Furthermore, Annex IV of the paper (appendix II) stipulates that a candidate is only required to produce a record of simulation training amongst other records. There is no prescribed requirement on the part of a trainee to undertake an additional assessment or test to satisfy MD in completing the simulation training.

### **Misconception about Simulation Training**

9. The benefit of simulation training is to allow trainees to undertake high-risk activities in a safe environment thereby improving their skills and knowledge.

10. The scenarios for the simulation training are solely designed by HKPA to meet specific training objectives. They simulate the most critical operating conditions such as inclement weather, emergency and hazardous situations. Indeed, it is through these exercises that trainees are taught how to manage risks and deal with problems under critical and emergency conditions. Hence, trainees are expected to be imperfect and make errors and rushed decisions.

11. Recently, it is evident that simulation training has been treated as an assessment tool to deem whether a trainee is competent or not. Some trainees were even required to retake simulation training up to several times after failing to meet MD's expectations.

12. Besides, prior to 2016 two trainees were paired up to undertake six exercises in one-day; each trainee took alternative role as pilot and master in the bridge team. Instead, after the adoption of HKPA's internal training arrangements by MD, each trainee is now required to undertake six consecutive exercises by himself in one-day. This arrangement has been proven to be too stressful and has caused undue fatigue to trainees. Even senior pilots may find it difficult to perform satisfactorily under such stressful and tiring conditions.

### **Recommendations**

13. In conclusion, HKPA's simulation training programme has never been designed for competency assessment purposes. The current assessment practice has violated the fundamental principle of simulation training as stipulated in PAC paper 5/2016 and may give rise to legal implications and potential challenges.

14. It cannot be over stressed that simulation training is a very important and indispensable component in the entire training process. It is deliberately placed at an early training stage to allow trainees to acquire new skills and knowledge that are essential to comply with the subsequent assessment/examination requirements. Against this backdrop, simulation training is deemed to provide valuable training opportunities which should not be defeated by converting it into an assessment tool.

15. It is recommended that the incorporation of an assessment element in the simulation training be revoked.

**Proposed Arrangements for Training, Assessment and Examination of Class II Pilots**<sup>9</sup>  
**(June 2016)**

	<b>Apprentice To IIF</b>	<b>IIF To IIE</b>	<b>IIE To IID</b>	<b>IID To IIC</b>	<b>IIC To IIB</b>	<b>IIB To IIA</b>
<b>Simulation Training (MD &amp; Pilots)</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Practical Vessel Training (Pilots)</b>	<b>-</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>Practical Assessment (Pilots)</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>1</b>
<b>Practical Examination (MD &amp; Pilots)</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>
<b>Oral Examination (PAC)</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Written Examination (MD)</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Experience required</b>	<b>Schedule 1 to Cap.84C</b>	<b>Schedule 3 to Cap.84C</b>	<b>Schedule 3 to Cap.84C</b>	<b>Schedule 3 to Cap.84C</b>	<b>Schedule 3 to Cap.84C</b>	<b>Schedule 3 to Cap.84C</b>

Acronyms

MD – Marine Department

PAC – Pilotage Advisory Committee

Pilots – Hong Kong Pilots Association Ltd.

<sup>9</sup> Comments from members of the Pilotage Advisory Committee Working Group at the meetings of 14 December 2015 and 15 April 2016 have been incorporated.

***Annex IV***

***For amending from Class IIC to Class IIB Pilots  
And from Class IIB to Class IIA Pilots***

The candidate is required to produce the following training records to the Pilotage Authority:

- (i) Experience required under Schedule 3 to Cap.84C;
- (ii) Simulation training;
- (iii) 2 practical vessel training;
- (iv) 1 practical assessment; and
- (v) Any other training and courses attended.

## Proposed Pilotage Dues Adjustment Mechanism

### Objectives

The aim of this paper is to propose an open, objective and transparent mechanism for the regular adjustment of pilotage dues.

### Background

2. Prior to 1999, it had once been an established practice to revise pilotage dues on an annual basis with reference to the Hang Seng Consumer Index and Inflation Rate.

3. From 1999 onwards, pilotage dues have been revised in a haphazard and arbitrary manner. Each round of revision necessitates lengthy and cumbersome negotiations amongst the stakeholders plus subsequent consultative and legislative process. On average, it takes nearly one year to complete the entire revision process.

4. Rather than annually, pilotage dues had only been revised four times over the past two decades. The deferment of each revision had not only placed financial constraints on our daily operations but also undermined the long-term financial sustainability of Hong Kong Pilots Association.

### Pilotage Dues Adjustment Mechanism (PDAM)

5. One of the main contributing factors leading to a rather lengthy negotiation process is the lack of an objective, open and transparent PDAM. Therefore it is vital to identify and formulate an agreeable and appropriate methodology for determining the rate of adjustment. Furthermore, it would minimise any disagreements and disputes amongst the stakeholders.

6. Similar to the widely-accepted Fares Adjustment Mechanism adopted by MTR<sup>(Note 1)</sup>, we propose to use Composite Consumer Price Index (CCPI) and Nominal Salary Index (NSI Transportation) as the key factors to determine the rate of adjustment.

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Note 1:

MTR's Formula: Overall Fare Adjustment Rate = 0.5 x Change in CCPI + 0.5 x Change in NWI(TS) – Productivity Factor.

The productivity factor is set at zero for the first five years starting from the rail merger (i.e. before 2013) and will have a value of 0.1% starting from the 6th years took into consideration of the general reduction of MTR fares on the day of the merger on 2 December 2007, before any synergies could be realized for the merger year (i.e. from 2013).



7. The CCPI reflects the impact of consumer price changes on the household sector as a whole and is widely used as an indicator of inflation. The NSI measures changes in average salary rates of those middle-level managerial and professional employees who have been in the same occupation and in the same company in two consecutive years.

8. To better reflect the pay trend in the transportation industry, it is therefore appropriate to assign a higher weighting to NSI. It is proposed that:

$$\text{Annual Rate of Adjustment} = (0.3 \times \text{Change in CCPI}) + (0.7 \times \text{Change in NSI})$$

### **Timeframe of Fees Adjustment**

9. In line with previous practice prior to 1999, it is deemed appropriate to review the pilotage dues on an annual basis using the aforesaid mechanism.

### **Advice sought**

10. Members' advice is sought on the above proposal.

Hong Kong Pilots Association  
3 July 2018

For discussion on  
25 June 2018

## **Legislative Council Panel on Economic Development**

### **Proposed amendments to the Pilotage Ordinance (Cap. 84) and the Pilotage (Dues) Order (Cap. 84D)**

#### **Purpose**

This paper consults Members on the proposal to amend the Pilotage Ordinance (Cap. 84) (“the Ordinance”) and the Pilotage (Dues) Order (Cap. 84D) (“the Order”) to establish three pilot boarding stations in Mirs Bay and to set the pilotage dues for the provision of pilotage services in the region.

#### **Background**

2. Under the Ordinance and its subsidiary legislation, visiting ships of 3 000 gross tonnage or over, ships of 1 000 gross tonnage or over carrying dangerous goods and gas carriers of any gross tonnage are required to be under the pilotage of licensed pilots within the waters of Hong Kong. The objective is to ensure the safe navigation of visiting ships as well as local ships in Hong Kong waters. Licensed pilots are regulated by the Ordinance to ensure their competence. A licensed pilot, who is a master mariner familiar with the local marine environment and licensed under the Ordinance, advises the master of the visiting vessel on the safest navigational route within the waters of Hong Kong.

3. To facilitate the provision of pilotage services, pilot boarding stations are set up in various points of Hong Kong waters for pilots to board or disembark the visiting ships before or after the provision of pilotage services. The existing pilot boarding stations are listed in Schedule 2 to the Ordinance.

4. Pilotage dues are charged by pilots for provision of pilotage services. The dues, including the standard dues and additional dues where applicable, are set out in the Schedule to the Order. The standard dues are dependent on the gross tonnage of a vessel<sup>1</sup>, while the additional dues are applicable for different routes

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<sup>1</sup> Currently, the standard dues consist of a basic fixed charge of HK\$4,700 per applicable vessel plus a charge depending on the gross tonnage of the vessel, ranging from HK\$0.055 to HK\$0.07 per ton.

(e.g. additional dues for services in remote areas) or under specified circumstances (e.g. services provided during typhoon, service requested on short notice). The dues are reviewed periodically by services providers (represented by the Hong Kong Pilots Association (“HKPA”)) and users (represented by the Hong Kong Liner Shipping Association (“HKLSA”)). Any dues revision proposal will be considered by the Director of Marine as the Pilotage Authority, having regard to the advice of the statutory Pilotage Advisory Committee (“PAC”)<sup>2</sup>.

## **Pilotage Arrangement in Mirs Bay**

5. While the Ordinance states that the waters of Hong Kong shall be a pilotage area, no pilot boarding station has been designated in Mirs Bay and visiting vessels have been plying the area without pilotage service. In 1998, there were on average about 17 vessel trips daily plying around Mirs Bay made by visiting ocean-going vessels (“OGVs”) of 3 000 gross tonnage or above that should have required pilotage service. The then PAC, having regard to the relatively light marine traffic in Mirs Bay as compared with that in other regions of Hong Kong waters and the remoteness of the area, decided to exempt vessels transiting Mirs Bay from the relevant pilotage requirement in 1998.

6. With the establishment of three additional Liquefied Natural Gas (“LNG”) receiving facilities at East Shenzhen in the proximity of Mirs Bay since 2014, the navigation risk in the region has increased<sup>3</sup>. Meanwhile, marine traffic in the region has become heavier. In 2017, the average number of daily trips transiting Mirs Bay made by OGVs of 3 000 gross tonnage or above has grown to about 36. Moreover, OGVs transiting Mirs Bay nowadays, including container vessels, are much bigger than those in 1998<sup>4</sup>. The increase in number and size of vessels including LNG vessels means that pilotage would be necessary to mitigate the increasing navigation risk in the Mirs Bay region. In taking forward the exercise, it has also transpired that the decision to exempt vessels transiting Mirs Bay from the pilotage requirement in 1998 was without legal backing, and hence must be rectified as soon as practicable.

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<sup>2</sup> PAC is established to advise the Director of Marine, as the Pilotage Authority, on matters relating to the general regulation or control of pilotage in Hong Kong. It comprises stakeholders of the shipping industry, including licensed pilots, ship-owners, container terminal operators, liners, dockyard operators, tug operators and bulk cargo operators, etc.

<sup>3</sup> Currently, there are about 172 LNG vessel trips per year in the region. It is expected that the total number of LNG vessel trips in the region will increase to 349 by 2020.

<sup>4</sup> Container vessels transiting Mirs Bay in 1998 had a maximum capacity of about 92 000 gross tonnage, or about 8 000 twenty-foot equivalent units (“TEUs”). In 2016, the maximum capacity of container vessels transiting Mirs Bay was about 196 000 gross tonnage, or about 20 000 TEUs.

## Legislative Proposal

### *Establishing three pilot boarding stations near Mirs Bay*

7. Noting that marine traffic of various vessel sizes and types navigating in the Mirs Bay area is becoming increasingly busy, to facilitate the provision of pilotage services in the region, we propose to establish the three pilot boarding stations at the following locations by amending Schedule 2 to the Ordinance –

- (i) Area off Shek Ngau Chau;
- (ii) Area off Crooked Island; and
- (iii) Area off Ping Chau.

8. The locations of the Mirs Bay and the proposed pilot boarding stations are shown on the map at **Annex I** and **Annex II** respectively.

### *Dues for the provision of pilotage services in Mirs Bay*

9. We propose no change to the standard pilotage dues which is applicable to all pilotage services irrespective of routes. Taking into account the remoteness of and the rough sea conditions in Mirs Bay which necessitate a longer transit time and the use of tugboats for pilots to access the three proposed pilot boarding stations, we propose to amend the Schedule to the Order to provide for –

- (a) the charge of additional dues for pilotage services where a pilot is required to board or disembark a ship in any of the three proposed pilot boarding stations to be set up near Mirs Bay. The additional charges range from HK\$10,350 to HK\$12,150;
- (b) the charge of an additional due for pilotage services in Mirs Bay which is provided on notice of less than five hours. The additional due is proposed to be set at 50% overall of the standard pilotage dues that shall be payable; and
- (c) the charge of an additional due of HK\$4,700 and HK\$300 respectively for cancellation or alternation of pilotage services on short notice of three hours and five hours respectively in Mirs Bay.

## **Consultation**

10. PAC was consulted on the proposal in June 2016 and December 2017. As in the case in past dues revision exercises, determination of the pilotage dues for Mirs Bay entails a process of negotiation between the service users and service providers and the current proposal is a compromise balancing the views of the two sides as far as practicable. HKLSA representing the major service users considered the dues for pilotage services in Mirs Bay expensive, in part because of the cost for using tugboats for boarding and disembarkation of pilots (see paragraph 9 (a)). HKPA representing service providers was of the view that the dues should commensurate with the time, expenses (e.g. the need to rent tugboat for provision of services in the area) and risks that have to be borne by their pilots. The Marine Department (“MD”) noted that tugboats were not primarily designed for the boarding and disembarkation of pilots but considered that it was the only available and safe means for pilots to access the Mirs Bay waters in order to provide pilotage services for the time being. After critically examining the fee proposals submitted by HKLSA and HKPA, MD derived a consolidated fee proposal as set out in paragraph 9. As a reference, for a vessel of about 100 000 gross tonnage, the total pilotage due (covering both standard and additional dues) is about HK\$35,000 per service in Mirs Bay. MD also suggested that the cost of renting tugboats should be reviewed at regular intervals after the commissioning of pilotage service in Mirs Bay. At its meeting in December 2017, noting the comments of the HKLSA and HKPA as mentioned above and that the current consolidated proposal has incorporated the views from the two sides as far as practicable, most members of the PAC had no objection to the proposal.

## **Advice Sought**

11. Members are invited to comment on the proposal. Subject to Members’ views, we plan to introduce the legislative amendments into the Legislative Council for negative vetting.

**Transport and Housing Bureau  
Marine Department  
June 2018**

大鵬灣的位置示意圖  
Location Map of Mirs Bay

附件 I  
Annex I





擬設在大鵬灣的領港員登船區位置圖

Location of the proposed pilot boarding stations in Mirs Bay

附件 II  
Annex II

