## PILOTAGE ADVISORY COMMITTEE

## **Notes of Working Group Meeting**

Date :	6 September 2019 (Wednesday)
Time :	2:30 p.m.
Venue :	Conference Room A, 24/F Harbour Building

## Present

Chairman:	Wong Wing-hung	General Manager / Vessel Traffic Services,			
		Marine Department ("MD")			
Members:	Ma Kam-fai, Henry	Hong Kong Liner Shipping Association			
	Chan Kam-foo	Shipping Agencies			
	Ning Fuk-kei, Franco	Container Terminal Operators			
	Ms LU Zheng, Caroline	Dry Bulk Cargo Operators			
	CHU Wai-leung	Oil Terminal Operators			
	Chow Shiu-bong, Cliff	Tug Operators			
	Zhou Wei	Master Mariner			
	Chan Kam-wing	Master Mariner			
	Tsang Cheuk-yin, Joe	Master Mariner			
	Wang Chi-cheong	Licensed Pilot			
Secretary:	Anson MC Sinn	Executive Officer (General & Committee),			
		MD			
In attendance					
	Ms Catherine Chow	China Merchants Port Holdings Company			
	Chan Ming-kwong	Hong Kong Pilots Association ("HKPA")			
	Jackson Lau	НКРА			
	Marco Lam	НКРА			
	Shiu Kin-fai	НКРА			
	Siu Ping-wing	Yiu Lian Dockyards			
	Huang Jihe	Senior Marine Officer / Vessel Traffic Centre ("SMO/VTC"), MD			
	George Tang	Marine Manager ("MM") / Pilotage, MD			
Lau Ho-mung, Mark		Assistant Marine Officer / Vessel Traffic			
		Centre (5), MD			
Absent with apologies					
Members:	Lam Ming-fung, Lothair	Hong Kong Shipowners Association			
	Yim Kong, Erik	Break Bulk Cargo Operators			
	Zhong Ying	Dockyards Industry			
	Lam Wai-ming, Steven	Licensed Pilot			

## Action

#### I. Opening remarks

1. <u>The Chairman</u> welcomed all to the meeting, including Mr Chan Kam-foo and Capt Wang Chi-cheong, who joined the meeting the first time.

#### II. Confirmation of notes of the last meeting

2. The notes of the last meeting held on 31 October 2018 were confirmed without amendment.

[**Post-meeting note:** The meeting notes were uploaded to the website of Marine Department on 14 November 2019.]

#### III. Discussion items

## (a) PACWG Paper No. 1/2019 –

## Training, Assessment and Examination Arrangements for Upgrading from Class IIA to Class I Pilots

- 3. <u>George Tang, MM/Pilotage</u> presented the paper, which was a revised version of PACWG Paper No. 1/2018 on the same topic having incorporated comments from Members of PACWG at the last meeting.
- 4. Capt Wang Chi-cheong, licensed pilot said that under the existing arrangements, the assessment of an ultra large bulker would be part of the existing in-house training arranged by The pilot-in-charge would be internally assessed by HKPA. the co-working pilot. In response to an enquiry from Ms Caroline Lu, dry bulk cargo operators, Capt Wang said that the co-working pilot would be a very experienced Class I pilot. In the event that the judgment of the pilot-in-charge erred and the error would be fatal, the co-pilot would intervene to correct the critical mistake of the pilot-in-charge forthwith for the sake of navigational safety. George Tang, MM/Pilotage added that the proposal of "3 joint practical examinations (MD and Pilots)" at Annex I of the paper aimed to institutionalise a mechanism on top of the existing in-house training arranged by HKPA to make the examination system of pilots more open and transparent. In a joint practical examination in future, one officer from MD and one licensed pilot from HKPA would be

the dual assessors to assess the candidate's performance.

- 5. In response to an enquiry about the weather factor from <u>Chan</u> <u>Kam-foo, shipping agencies</u>, <u>George Tang</u>, <u>MM/Pilotage</u> said that safety margin would be considered on the examination day in the event of inclement weather under the berthing guidelines.
- 6. After deliberation, the meeting endorsed PACWG Paper No. 1/2019 and recommended to put forth the issue to PAC for discussion.

#### (b) PACWG Paper No. 2/2019 – Proposed Amendments to the Berthing Guidelines

- 7. <u>George Tang, MM/Pilotage</u> presented the paper. In response to an enquiry from <u>Capt Wang Chi-cheong</u>, <u>licensed pilot</u>, <u>George Tang</u> said that the list of fairways in Annex III of the paper were not exhaustive, and only the most relevant fairways were spelt out in Annex III.
- 8. The meeting endorsed PACWG Paper No. 2/2019 and recommended to put forth the issue to PAC for discussion.

### (c) PACWG Paper No. 3/2019 – Proposed Amendments to Pilotage (Dues) Order, Cap. 84D

- Jackson Lau, HKPA presented its proposal of amendment to paragraph 4 of Part 2 of the Pilotage (Dues) Order, Cap. 84D (vide Powerpoint presentation at Annex A). Afterwards, <u>George Tang, MM/Pilotage</u> presented PACWG Paper No. 3/2019 and invited comments from Members.
- 10. Members gave their comments. <u>Henry Ma, HKLSA</u> enquired HKPA about overall figures over the past few years to derive an average per month. He also enquired whether there would be administrative measures for HKPA for ad hoc cases due to inclement weather and whether there would be legal measures (e.g. by amending the law) if there were many cases. <u>Franco Ning, container terminal operators</u> viewed that if the legislative intent of certain provisions in Cap. 84D did not dovetail with the actual situation, the wordings of the law should be amended. The law could also be spelt more precisely – e.g.

the scenario of pilots performing duty outside pilot boarding stations. <u>Cliff Chow, tug operators</u> seconded.

- Ms Caroline Lu, dry bulk cargo operators supported to take into 11. account transportation cost and manpower cost in calculation of pilotage dues, but questioned whether the element of distance would be fair and justifiable. She further questioned whether the components of time and distance can be further broken practicability, down in terms of and doubted the representativeness of HKPA's two examples in the Powerpoint to come up with \$2,285.
- 12. The Chairman said that pilotage dues are statutory charges for provision of pilotage services by pilots under the Pilotage (Dues) Order (Cap. 84D). While all Members agreed that pilots should be reasonably remunerated when pilotage services were provided, they had different views on how the charging regime would be deemed as reasonable. HKPA's fee proposal focused on the pilots per se whereas MD's fee proposal focused on the ships per se. To MD's understanding, altering the charging regime from ship-oriented fee model to a pilot-oriented fee model would have shaken the legislative intent of the statutory charging regime. While operating cost would form part of the pilotage dues, pilotage dues should be mutually agreed by the clients and the service provider upon The Chairman then proposed that further consultation. discussion on the charging regime would be needed through convening focus groups amongst major stakeholders (including but not limited to the liners, the shipping agencies and the Hongkong Electric) before putting forward the issue to PAC for The current arrangement of negotiations amongst discussion. stakeholders and subsequent consultative process prior to legislative process reflected the principle of participation and led to a consented situation. Meanwhile, the Chairman suggested that HKPA could give some more information to MD to work out a better proposal.

### IV. Any Other Business

## Vessels transiting Ma Wan Channel

13. Under the current berthing guidelines for Ma Wan transit, no

tug is required to escort mother vessels under particular length overall. Against this backdrop, <u>Cliff Chow, tug operators</u> presented a discussion paper at **Annex B** and invited comments from Members on whether safety measures as precautionary measures for vessels transiting Ma Wan Channel would need to be enhanced.

- 14. <u>George Tang, MM/Pilotage</u> illustrated with snapshots of VTS playback on the four incidents depicted in the paper. He then inferred that the speed of vessels and how pilots handle the incidents on-the-spot would be two most critical aspects. He added that subsequent to the incident of the blackout of the motor vessel OOCL Melbourne in December 2006 mentioned in para. 6 of the paper, a PAC meeting was convened to amend berthing guidelines as a precautionary measure.
- 15. Members gave their comments. <u>Chan Kam-foo, shipping agencies</u> had reservation about the high cost of hiring tug boats. <u>Capt Wang Chi-cheong, licensed pilot</u> said that even if there were one or more escort tug(s), the tug(s) might not be deployed despite greater safety margin. <u>Capt Zhou Wei, master mariner</u> supplemented that the speed of the mother vessels would be the key as to whether to deploy the tug or not deploying the tug when the mother vessel being at the speed of 4 knots should be fine, but there seemed not to be much significance in tug force if the mother vessel was at the speed of 6 knots. <u>Cliff Chow, tug operators</u> responded that there were scenarios that tugboats were deployed when the mother vessel was at the speed of 8 or 9 knots.
- The Chairman said that there were two measures in place for 16. the time being. The Vessel Traffic Centre regulated marine traffic round-the-clock. Meanwhile, pilotage service was provided by licensed pilots who were experts in the local waters of Hong Kong possessing good knowledge in ship handling, appraising traffic situation and handling of emergency situations. As part of professional development, licensed pilots need to attain simulation training for zero tolerance of mistake in real-life situation when vessels were transiting Ma Wan. As to whether tug boats would also be required for mother vessels under particular length overall, a balance would need to be struck between the risk factor and the

cost, and to what extent the risk factor was acceptable. The cost of hiring a high-speed tug would be very high. Meanwhile, the provision of pilotage services was an act of balancing risk which was directly related to manoeuvre of the vessel rather than specifically the passage of Ma Wan Channel.

17. After deliberation, Members' views were initially tapped that the status quo was preferred to be maintained. In passing, <u>the Chairman</u> said that tug operators might raise this issue at Port Operations Committee which might be a better platform for discussion.

### V. Adjournment of meeting

18. There being no other business, the meeting was adjourned at 6:00 p.m.

### VI. Date of next meeting

19. The date of next meeting would be announced in due course.

#### **Distribution list**

Chairman, PAC Working Group Members, PAC Working Group SMO/VTC, MD MM/Pilotage, MD AMO/VTC, MD

<u>c.c.</u> DD, MD *qua* Chairman of PAC AD(PC), MD Ms Catherine Chow, China Merchants Port Holdings Co. Chan Ming-kwong, HKPA Jackson Lau, HKPA Marco Lam, HKPA Shiu Kin-fai, HKPA Siu Ping-wing, Yiu Lian Dockyards

Committee Unit Marine Department Ref.: L/M (1) in MD-COM-F01-000-02A-001-P001

## Powerpoint Presentation by Hong Kong Pilots Association (September 2019) HKPA Notes on PACWG Paper No. 3/2019

1. <u>Pilotage Dues Amendment Order 1984 (Part 2, Additional</u> <u>Pilotage Dues, para 4)</u>

"An additional pilotage due of \$375 per half an hour or part thereof shall be payable for any pilotage service performed, where a pilot is required to proceed outwards beyond the pilot boarding area for the purpose of **engine trials**, **direction finder calibrations and compass adjustment**, from the time the **ship** passes the pilot boarding area outwards until the **ship** passes the pilot boarding area inwards."

# HKPA Notes on PACWG Paper No. 3/2019

2. <u>Pilotage Dues Amendment Order 1997 (Part 2, Additional</u> <u>Pilotage dues, para 4) (Current Order)</u>

"An additional pilotage due of \$700 per half an hour or part thereof shall be payable for any pilotage service performed, where a pilot is required to proceed outwards beyond a pilot boarding area, from the time the **ship** passes a pilot boarding area outwards until the **ship** passes a pilot boarding area inwards."

# HKPA Notes on PACWG Paper No. 3/2019

- 3. HKPA's legal advice for amendment proposals, to accommodate all pilotage services other than those stipulated in the current Pilotage Dues Order, are:-
- **Option 1**: 4A. Where a pilot boards or disembarks from a ship otherwise than at a pilot boarding area, an additional pilotage of [\$] per half an hour or part thereof shall be payable for any pilotage service performed:
  - a. Where a **pilot** is required to proceed outwards beyond a pilot boarding area, from the time the **pilot** passes a pilot boarding area outwards until the **ship** passes a pilot boarding area inwards; and
  - b. Where the **ship** is required to proceed outwards beyond a pilot boarding area, from the time the **ship** passes a pilot boarding area outwards until the **pilot** passes a pilot boarding area inwards.

# HKPA Notes on PACWG Paper No. 3/2019

Option 2 : 4A. Where a pilot boards or disembarks from a ship otherwise than at a pilot boarding area, an additional pilotage due of [\$] per half an hour or part thereof shall be payable for any <u>pilotage service performed</u> from the time the pilot passes a pilot boarding area outwards until the pilot passes a pilot boarding area inwards.

## HKPA Notes on PACWG Paper No. 3/2019

#### 4. Proposed Additional Dues

- a. Any pilotage service performed where a pilot is required to board or disembark from a ship beyond a pilot station shall be <u>compensated for the</u> <u>additional time and transportation</u>.
- b. At the PAC Meeting (13 Dec 2017), the Proposed Pilotage Dues for Mirs Bay Pilotage Services is HK\$4,200 for service beyond Tolo Harbour pilot station outward Shek Ngau Chau pilot station (distance of 7 n.miles), i.e. HK\$600 / n.mile.

## HKPA Notes on PACWG Paper No. 3/2019

- c. If a pilot is required to board or disembark beyond Ngan Chau pilot station, at an area near the HK Boundary or South Lamma Anchorage (distance about 5 n.miles), the additional cost for the pilot only is HK\$3,000 (i.e. HK\$600 x 5 n.miles) with estimated need time of one hour.
- d. For transportation by pilot boat, the additional cost is HK\$1,269 (HK\$3300 ÷ 13n.miles x 5 n.miles) with estimated need time of one hour, basis on market speed boat tariff of HK\$3,300/trip in 2017 (from central to South Lamma Anchorage, distance about 13 n.miles).

## HKPA Notes on PACWG Paper No. 3/2019

e. The proposed additional due is HK\$4570 / hour or HK\$2,285 / half hour (HK\$3,300 + HK\$1270 / hour).

#### **Remarks**

The proposed adjustment to additional pilotage dues of pilotage services beyond pilot station endorsed in the PAC Meeting (14 Jan 2019) is HK\$1,400 / half hour.

### PILOTAGE ADVISORY COMMITTEE WORKING GROUP

#### Purpose

The purpose of this paper is to seek members' comments and discussion on whether safety measures as precautionary measures for vessels transit Ma Wan Channel will need to be enhanced.

#### Background

2. Four incidents of vessels grounding or engine failure during Ma Wan transit happened within 15 months between June 2016 and September 2017. A summary of the incidents is tabulated below –

Incident date	Vessel Name	Length Overall (m)	Vessel Type	Incident
16 June 2016	Kota Jelita	173	Container	Ran aground near Ting Kau
3 January 2017	Jin Feng 7	132	Container	Ran aground off Ma Wan
24 March 2017	Sao Paulo	172	Container	Machinery failure and lost propulsion during Ma Wan Transit. Deadship towed afterwards.
8 September 2017	Jungfrau Explorer	174	LPG Tanker	Machinery failure and lost propulsion during Ma Wan Transit. Deadship towed afterwards.

3. It was fortunate that all the cases did not generate major issues to any personnel, assets, marine traffic nor any major environmental damages. During refloating or dead tow operations, the traffic temporary suspended for a short period of time.

4. Under current berthing guideline for Ma Wan transit, no tug is required to escort mother vessels, if they are under the following two categories –

- (a) Bulker / Tanker under 183m length overall (LoA) with less than 10m draft
- (b) Passenger / Container under 230m LoA

5. All of the four incidents above fall into these two categories and therefore no tug is required for escorting according to the current berthing guidelines.

## **Other Incidents**

6. There were similar incidents for larger vessels, which tugs were required to perform escorting operations, that tugs helped minimise impact to the vessel, personnel, environment and the marine traffic. One of the most noticeable incidents happened in the afternoon of 23 December 2006 when a motor vessel OOCL Melbourne (234.6m x 32.2m) experienced engine blackout during her north-bound transit passage. She was drifting towards Ma Wan Marine Department Control Tower. The pilot onboard warned, through Very High Frequency, that any personnel within the Control Tower better be ready for evacuation as he reckoned that the vessel might collide with the Control Tower. It was fortunate that on top of the tug that was performing the escorting operations, two additional tugs took their own initiatives out of emergency and leaded by the professional pilot, helped avoiding a possible disaster. The motor vessel OOCL Melbourne anchored and stopped in time and did not touch the Control Tower.

### Discussion

7. Ma Wan Channel is extremely important to the economy in Hong Kong and it also links up to a lot of utilities and public services. We all understand that marine incidents are unpredictable and the four cases within the 15-months window as a standalone fact, is something that worthy of attention. A complete closure for a day, not mentioning few weeks for wreck removal, without allowing large vessels passing through Ma Wan Channel will be catastrophic.

- 8. The following items are proposed for discussion
  - (a) How long is the tolerable duration for the closure of Ma Wan Channel?
  - (b) Is there a need to spend more time and resources to formulate precautionary measure(s) if we need to enhance the safety standard of Ma Wan Transit? And why?

9. Mr Cliff Chow, General Manager of Hongkong Salvage & Towage representing tug operators, will present this discussion paper.

September 2019