

PILOTAGE ADVISORY COMMITTEE

Notes of Working Group Meeting

Date : 29 July 2024 (Monday)
Time : 2:30 p.m.
Venue: Conference Room A, 21/F Harbour Building

Present

Chairman:	WU Kou-qing	General Manager / Vessel Traffic Services,
Members:	ZHANG Hongwen	Hong Kong Shipowners Association
	CHAN Hung-tai	Hong Kong Liner Shipping Association
	CHAN Kam-foo	Shipping Agencies
	LAM Wing-chiu	Container Terminal Operators
	LAU Yiu-ming	Oil Terminal Operators
	Ms LEI Ho-yan, Angelina	Tug Operators
	Capt LI Yongzheng	Master Mariner
	Capt JIAO Jie	Master Mariner
	Capt LEE Koon-wah	Licensed Pilot
	Capt TAO Ming, Rockman	Licensed Pilot
	NI Yong	Dockyard Industry
	(On behalf of ZHONG Ying)	
Secretary:	Ms Angel CHAN	Senior Executive Officer (General)

In attendance

Capt CHIN Ka-lam	Hong Kong Pilots Association (“HKPA”)
Capt CHU Wah-sau, Summy	HKPA
LAU Wai-cheong, Jackson	HKPA
Miss Iris YIU	Senior Marine Officer/Vessel Traffic Centre
George TANG	Marine Manager (“MM”) / Pilotage

Absent with apologies

Members:	CHANG Chi-wai, Robson	Dry Bulk Cargo Terminal Operators
	LI Yubin	Break Bulk Cargo Operators
	Capt ZHOU Jianfeng	Master Mariner
	PI Xiangzhong	Surveyor of Ships (Engineer) / Seafarers and Examination (2)

I. Opening Remarks

The Chairman extended his welcome to all members.

II. Confirmation of notes of the last meeting

2. Capt LEE Koon-wah, a licensed pilot, asked if post-meeting notes could be added to record HKPA's views on the discussion item. The Chairman explained that the discussion item would be discussed again in this meeting and HKPA could express their views when discussing the item; hence there was no need to add in the notes of last meeting.
3. The notes of the last meeting held on 3 November 2022 were confirmed without amendment.

[Post-meeting note: The meeting notes were uploaded to the website of Marine Department on 31 October 2024.]

III. Discussion item

PACWG Paper No. 1/2024 – Review of Tug Cost for Pilot's Boarding / disembarkation in the Mirs Bay

4. MM/Pilotage introduced the paper on revising the additional dues for pilotage service performed if a pilot is required to board, or disembark from, a ship in the Mirs Bay as provided under paragraph 5D and 5E in part 2 of the Schedule to the Pilotage (Dues) Order (Cap. 84D).
5. Capt LEE Koon-wah, a licensed pilot, enquired if more time would be allowed for seeking views from stakeholders on the proposal.
6. The Chairman explained that the Pilotage Advisory Committee ("PAC") endorsed in 2017 the level of additional pilotage dues for pilotage service performed if a pilot was required to board, or disembark from, a ship at the three pilot boarding stations ("PBS") areas off Ping Chau, Crooked Island and Shek Ngau Chau, and agreed to review the associated tug cost in two years after the provisioning of pilotage service in Mirs Bay. The HKPA, at the meeting with Transport and Logistic Bureau

(“TLB”) and Marine Department (“MD”) held in December 2023, expressed that as tugs were no longer required for pilot’s embarkation/disembarkation in Mirs Bay, the additional pilotage dues for pilotage service performed if a pilot was required to board, or disembark from, a ship in Mirs Bay might be lowered.

7. Mr LAU Wai-cheong, Jackson, HKPA, stated that it was agreed by PAC in 2017 to review the associated tug cost but not to eliminate the entire amount of tug cost.
8. Capt TAO Ming, Rockman, a licensed pilot, considered necessary to communicate with the major users before finalising the revised amount of additional pilotage dues.
9. The Chairman reiterated that the PAC endorsed in 2017 the additional pilotage dues as the use of tugs was needed in the exposed water of Mirs Bay due to environmental sensitivity in that area; and the HKPA had confirmed the fact when meeting with TLB in December 2023 that tugs were no longer required for pilot’s embarkation/disembarkation in Mirs Bay since February 2022. He invited Members to consider if the proposal on removing the tug cost should be endorsed while an overall review on additional pilotage dues could be conducted at an opportune time.
10. The meeting raised no objection in-principal on the proposal. The proposal would be submitted to the PAC for consideration.

[Post-meeting note: The proposal was circulated to the PAC on 2 August 2024 (PAC Paper No. 4/2024). Taking into account PAC Members’ comments and HKPA’s revised proposal, supplementary notes to the PAC Paper No. 4/2024 were circulated to the PAC on 19 August 2024. The PAC Members raised no further comments on the revised rates proposed by HKPA.]

PACWG Paper No. 2/2024 – Proposed Amendments to the Berthing Guidelines

11. MM/Pilotage introduced the paper on proposed amendments to the Berthing Guidelines (“BGL”) and went through the Annexes I to VII with the Members.

12. Ms LEI Ho-yan, Angelina, representing tug operators, told the meeting that there were updates to the tugs information at Chapter 5 of BGL at Annex I of the Paper.

[Post-meeting note: Ms LEI provided the updated information by email on 9.8.2024.]

13. Capt TAO Ming, Rockman, a licensed pilot, disagreed with para. 2(d) regarding tugs requirement for anchorages which had quoted the Pilotage Authority's opinion that the general practice of ships going to anchorage did not use any tug. Capt CHIN Ka-lam, HKPA, echoed that it was necessary to use a tug if draft of the ship was greater than 10.0m or LOA of the ship was greater than 230m so that the ship could anchor at the point specified by the MD. Capt LEE Koon-wah, a licensed pilot, also raised objection to remove the requirement of tug for going to/from the anchorage at Annex VII.
14. Ms LEI Ho-yan, Angelina, representing tugs operators, commented that the industry might not know the situation if the tug requirements were all removed from the BGL. She suggested if a general statement could be added in the BGL.
15. The Chairman concluded that while Members raised views on para. 2(d), they had no objection to paras. 2(a) to (c) in the Paper. He recapped that the PAC had endorsed to delete the tug requirement for South Cheung Chau anchorage (SCCA) at the meeting of 17 May 2023, and review would be conducted for other anchorages.

PACWG Paper No. 3/2024 – Review of the Berthing Guidelines for Hong Kong Offshore LNG Terminal

16. MM/Pilotage introduced the paper on the review of the Berthing Guidelines ("BGL") for the east and west berths of the Hong Kong Offshore Liquefied Natural Gas ("HKOLNG") Terminal (i.e., HKOLNG(E) and HKOLNG(W)). He drew Members' attention that HKPA's view on the number of pilots was at para.6 and Annex I of the paper, while MD's view was at para.9 of the paper. Annex II of the paper was the report on the simulation runs conducted by MD to evaluate the sufficiency of 1 pilot for berthing and unberthing of LNG

vessels at the HKOLNG(E) and HKOLNG(W) terminals. Based on the key outcome of the simulation run, MD's proposal on amending the BGL for the HKOLNG(E) and HKOLNG(W) terminals were attached at Annex III of the paper.

17. Capt LEE Koon-wah and Capt CHIN Ka-lam, two licensed pilot, said that HKPA had prepared a presentation and he also wished to respond to some points raised at the last meeting. Regarding the VHF communication with the Vessel Traffic Centre ("VTC"), it was the pilots who mainly are responsible for the reporting to the VTC, not the master. Engagement of two (2) pilots on board could enhance the safety and hence reduce the chance of accident which might cause heavy financial loss to the shipowner. It was in fact the shipowner who requested for 2 pilots for the sake of safety and did not consider the engagement of 2 pilots on board would add financial burden. The roles of the co-pilot could not be taken up by the master and other deck officers in view of the language barrier and only co-pilot could communicate effectively in local language, which involved many technical jargon, with various parties (such as terminal, tugs, port authority, and linesmen boats) during emergency. The co-pilot could immediately take over of the chief pilot, either by request or judgement. It was also not practical to compare Hong Kong ports with neighbouring ports in view of different geographical factors.
18. The Chairman clarified that while the master of a vessel was the person responsible for providing the statutory VHF reports to VTC, there were only two reports required during an arrival situation and each report would take less than one minute. They were pilot report and arrival report when the vessel embarked a pilot and arrived HKOLNG Terminal respectively. Furthermore, pilot meant "a person who controls, or is in charge of, the navigation of a ship of which he is not the master; and when used as a verb, to control, or be in charge of, the navigation of a ship" under Section 2 of the Pilotage Ordinance (Cap. 84). Hence, the roles and tasks undertaken by the "co-pilot" mentioned did not seem aligning the interpretation for "pilot" under the relevant legislation. It was reiterated that the BGL should set out the minimum requirements of pilotage operations to meet with compulsory pilotage. It was demonstrated during the 12-month trial

period starting from January 2023 that the pilotage operations, with 2 pilots for berthing and 1 pilot for unberthing, ran smoothly. The simulations conducted by MD in May and June 2024 also illustrated that 1 capable pilot was sufficient in handling different situations effectively without jeopardizing the navigational safety of the vessel and the tugs. MD maintained no objection to any voluntary employment of additional pilot(s) as assistant beyond the minimum requirement .

19. Mr LAU Yiu-ming, representing oil terminal operators, noted HKPA's point of view that it was more effective for 2 pilots to handle emergencies, but he wanted to know the importance of 2 pilots during general situations as the oil terminal companies would normally only follow the minimum requirement set by the government. Capt CHIN Ka-lam, HKPA, responded that it was equally important to have 2 pilots to keep monitoring the situation all the time during the course of the pilotage operation to avoid any accident.
20. Mr CHAN Kam-foo, representing shipping agencies, expressed his view that at present 2 pilots were deployed for highly manoeuvrable passenger ships; if only 1 pilot was required by LNG Carrier ("LNGC"), he was afraid the ship owners would cut the number of pilots for passenger ships too.
21. Mr LAM Wing-chiu, representing container terminal operators, noted that many existing BGL in HK had set the requirement for 2 pilots and there would be valid reason for the requirement. MM/Pilotage agreed that it was the present situation but he invited members to rethink the issue based on the up-to-date information for the LNG terminals. The meeting also noted that two pilots may be better than one if they work in unison. However, it would be disastrous if they are in disagreement.
22. Ms LEI Ho-yan, Angelina, representing tug operators, wished to respond on the point about language barrier between shipmaster and tug workers. She said that tug workers included locals and Filipinos; for those locals, in particular some experienced coxswain, might not be able to communicate fluently in English with the shipmaster. She hoped that more young locals would join the industry and it might take some years to tackle the communication difficulty between shipmaster and tug workers.

23. Capt. LEE Koon-wah, a licensed pilot, quoted the incident happened in October 2023 that the shipmaster and crew were unable to help because of language problem and lack of training to handle such emergency; it was lucky to have 2 pilots on board and the co-pilot could immediately communicate with the VTC and the tug in trouble, while the chief pilot could focus on navigation (para.8 at Annex I of the paper). Capt TAO Ming, Rockman, a licensed pilot, reiterated that the BGL should be able to ensure safe and efficient operation of a ship, and it was necessary to have 2 pilots in order to achieve this. Capt CHU Wah-sau, Summy, HKPA, echoed that the co-pilot played a very crucial role in assisting the chief pilot.
24. Given that no unanimous view could be gathered in the meeting for the requirement of 2 pilots, the Chairman concluded that the PACWG's discussions would be brought up to the PAC for consideration. The Chairman also suggested that a visit to the MD Training Centre to observe the berthing and unberthing simulations for HKOLNG Terminal might be arranged.

[Post-meeting note: Simulation for berthing and unberthing of vessels at HKGLNG(E) and (W) was conducted at MD Training Centre with 9 PACWG members as observer on 19.9.2024 p.m.]

PACWG Paper No. 4/2024 – Proposed Amendment to the Pilotage (Dues) Order, Cap. 84D (Part 2 of the Schedule – Additional Pilotage Dues)

25. Capt LEE Koon-wah, a licensed pilot, introduced the paper and presented its proposal of amendment to paragraph 4 of Part 2 of the Pilotage (Dues) Order, Cap. 84D. Six different scenarios were explained to support the “pilot-oriented” charging principle. It was proposed to amend the paragraph as “*An additional pilotage due of \$1,482 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 station, from the time the pilot passes a pilot boarding station outwards until the pilot passes a pilot boarding station inwards.*” HKPA had consulted the industry and so far all agreed to the proposal as they were given the understanding that the proposed amendment was intended to improve the

legislation but not to increase the charges.

26. MM/Pilotage presented MD's stance on the issue (vide Powerpoint presentation at Annex A). He briefed the meeting that the issue was once discussed in 2019. MD was of the view that pilotage service performed should earn a reasonable remuneration but the charging principle adopted in Cap. 84D should be followed. There were four key elements for consideration of additional pilotage dues: a) the pilot was onboard the ship requiring pilotage service; b) the pilot was performing active and substantive pilotage service; c) the ship was outwards beyond a pilot boarding station (PBS); and d) the charge was on the basis of per half an hour or part thereof. Subject to law draftsman's advice, MD proposed to amend paragraph 4 of Part 2 of Cap. 84D as "*An additional pilotage due of \$X per half an hour or part thereof shall be payable for any pilotage service performed by a pilot being onboard a ship for the time period where the ship is outwards beyond a pilot boarding station.*"
27. The Chairman emphasised that Part I in Cap. 84D had included all costs incurred by a pilot in travelling to and from a ship and hence the additional pilotage dues should not be levied when pilotage service was not being performed, i.e. the time for conveyance of the pilot on the pilot boat travelling to and from the PBS and the ship.
28. Capt LEE Koon-wah, a licensed pilot, disagreed as pilots, when travelling on the pilot boat to and from the PBS and the ship, also performed pilotage services, e.g. requesting the fishing boats to weigh anchor if they block the fairway, checking the ship's draft before boarding the ship, etc. Capt TAO Ming, Rockman, a licensed pilot, supplemented that the proposed additional pilotage dues were not purely travelling costs, but the costs for pilots' resources.
29. The Chairman reiterated that the charging principle of Cap. 84D should not be violated and the pilotage dues should only cover the provision of pilotage services by pilots being onboard the ship. He opined that clearance of fairway should be done by Harbour Patrol Section of MD. SMO/VTC further explained that the notes in Part 1 of Cap. 84D had clearly stated the standard pilotage dues specified in that part had included "all" costs incurred by a pilot in travelling to and from a ship;

in other words, no matter travelling costs, time costs or opportunity costs, etc. had been included already.

30. Captain LEE Koon-wah, a licensed pilot, raised objection on the point that the pilotage dues should only be payable after a pilot had boarded the ship and provided pilotage services as Cap. 84D also covered situations when the pilot was detained or when the engagement was cancelled but still pilotage dues were payable. MM/Pilotage responded that those situations should be regarded as a form of penalty and were different from the issue under discussion by the meeting.
31. The Chairman invited other Members to offer their comments. Mr CHAN Kam-to, representing shipping agencies, asked if the charging principle of tugs, i.e. from leaving the base up to returning the base, could be applied to pilots. The Chairman explained that the charging practice of tugs was not specified in Cap. 84D and therefore it was not practicable to compare that with the charging principle of pilots.
32. Mr CHAN Hung-tai, representing Hong Kong Liner Shipping Association, enquired whether the legislation could be improved to cover different scenarios, e.g. waiting time of pilots due to ships' lateness, or cancellation of engagement. SMO/VTC explained that the current legislation had covered those scenarios already.
33. Ms LEI Ho-yan, Angelina, representing tug operators, considered that it was better to define clearly the scope of services provided by pilots that required payment of pilotage dues, instead of focusing on whether the pilots were onboard the ship or not. MM/Pilotage replied that it was necessary to have a starting and end point for counting the duration eligible for additional dues. SMO/VTC supplemented that the current legislation framework required a clear definition on the duration and the point when pilots embark / disembark the ship was very clear-cut.
34. Mr LAU Wai-cheong, Jackson, HKPA expressed his views that there was no dispute that the standard pilotage dues in Part 1 of Cap. 84D had included all costs but the present concern was the additional dues in Part 2 of Cap. 84D. The standard dues were charged on job basis according to the ship's tonnage but the additional dues were charged on half-hour basis which showed

that the extra time spent by the pilots beyond the PBS should be counted.

35. The Chairman explained again the existing framework of Cap. 84D, i.e. all costs (including travelling costs) had been included in the standard pilotage dues and the additional pilotage dues should be counted on half-hour basis after the pilots had embarked the ships and had performed pilotage services. The proposal by HKPA was ultra vires to Cap. 84D. SMO/VTC said that if HKPA's proposal was adopted, it was necessary to review the entire Cap. 84D as the legislative framework would be changed.
36. Members raised suggestions for consideration. Mr LAU Yiu-ming, representing oil terminal operators suggested to set a minimum charge for additional pilotage dues. Capt JIAO Jie, a master mariner suggested to count the additional pilotage dues on job basis. Mr LAM Wing-chiu, representing container terminal operators, enquired the possibility of using the distance beyond PBS as charging basis. Ms LEI Ho-yan, Angelina, representing tug operators, asked if the wordings could be amended to "beyond Hong Kong harbour limit".
37. The Chairman invited HKPA to further consider MD's proposal and see if HKPA would accept it or if some other viable proposal within the existing legislative framework under Cap. 84D would be submitted.

IV. Any Other Business & Adjournment of meeting

38. There was no other business. The meeting was adjourned at 7:45 p.m.

V. Date of next meeting

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

Distribution list

Chairman, PAC Working Group

Members, PAC Working Group

HKPA

Senior Marine Officer/Vessel Traffic Centre, MD

MM/Pilotage, MD

Committee Unit

Marine Department

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