

CONTROLLING OFFICER'S REPLY

TLB023

(Question Serial No. 2069)

Head: (100) Marine Department
Subhead (No. & title): (-) Not Specified
Programme: (4) Services to Ships
Controlling Officer: Director of Marine (Mr S.F. WONG)
Director of Bureau: Secretary for Transport and Logistics

Question:

The Marine Department (MD) will continue to implement the block registration incentive targeting shipowners who register multiple ships with the Hong Kong Shipping Registry (HKSR) within a specified period, and the three-year Carbon Intensity Indicator (CII)-based green incentive launched in 2024 for Hong Kong-registered ships of 5 000 gross tonnage or above attaining CII rating A or B. In this connection, will the Government inform this Committee of the following:

- (1) As at end-February this year, how many Hong Kong-registered ships have obtained green incentive? What is the incentive amount granted?
- (2) Among the ships that have been granted green incentive, what are the respective numbers of ships attaining CII ratings A and B?
- (3) It is understood that starting from 14 February this year, MD has been providing block registration incentive to shipowners who register multiple ships with HKSR. Have any applications been received so far? If yes, what is the number of registered ships involved?

Asked by: Hon CHAN Siu-hung (LegCo internal reference no.: 19)

Reply:

To mitigate climate change, the International Maritime Organization (IMO) has put forward a vision to reduce greenhouse gas emissions, with the target of enabling the shipping industry to progressively advance to net-zero carbon emissions. The Government also promulgated the Action Plan on Maritime and Port Development Strategy in December 2023 to support the sustainable development needs of the maritime and port industry in Hong Kong, and to promote the development of green shipping in a bid to enhance the long-term competitiveness of the industry.

The Marine Department (MD) launched the Green Incentive Scheme on 28 June 2024, the first of its kind in the world that is Carbon Intensity Indicator (CII) related, to encourage green

transformation of the shipping industry. The Scheme provides green incentive to Hong Kong-registered ships that have attained high ratings under the international standards on decarbonisation formulated by the IMO. Under the Scheme, all Hong Kong-registered ships of 5 000 gross tonnage or above in possession of a valid “Statement of Compliance - Fuel Oil Consumption Reporting and Operational Carbon Intensity Rating” showing that the ship has attained rating A or B in the CII are eligible to receive \$20,000 for each corresponding year from 2024 to 2026. The Scheme has been open for application by eligible Hong Kong-registered ships since 28 June 2024. As at 28 February 2025, MD has received 697 applications from ships and approved 685 of them, with an incentive amount of \$13.7 million. Among the 685 ships that have been granted green incentive, 353 and 332 ships have attained CII ratings A and B respectively. MD will continue to step up promotion of the Scheme to encourage Hong Kong-registered ships to become part of the green fleet.

The Block Registration Incentive Scheme is another proposed action measure in the Action Plan on Maritime and Port Development Strategy promulgated by the Government in December 2023 to consolidate the competitiveness of Hong Kong’s ship registration. Under the Scheme, if more than one eligible ship is registered with the Hong Kong Shipping Registry (HKSR) within 24 months, the shipowners concerned may be provided with a refund of the ship registration fee and the first-year annual tonnage charge. One application may cover ships of different owners and may be submitted by a shipowner, ship manager or ship agent. As at 5 March 2025, MD has received 4 applications, involving a total of 19 ships. MD will actively reach out to shipowners and shipping-related companies to promote the Scheme through its network on the Mainland and overseas. Moreover, MD has produced a publicity leaflet to promote the work of HKSR and introduce details of the Block Registration Incentive Scheme.

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