Proposal to Mandate Ocean-going Vessels and River Trade Vessels to Use Compliant Fuel within Hong Kong Waters

Purpose

This paper explains a proposal to mandate Ocean-going Vessels (OGVs) and River Trade Vessels (RTVs) to use fuel with sulphur content not exceeding 0.5% by weight (i.e. compliant fuel) in Hong Kong waters, starting from 1 January 2019, as part of a Domestic Emission Control Area (DECA) in the waters of Pearl River Delta (PRD) for improving air quality. We would like to have your views on the proposal on or before 26 April 2017.

Background

- 2. In December 2015, the Ministry of Transport of the Mainland issued an Action Plan (《珠三角、長三角、環渤海(京津冀)水域船舶排放控制區實施方案》) 1 on the establishment of three DECAs, one of which is in the waters of the PRD. Figure 1 shows the geographical boundary of the PRD DECA, which does not cover the waters of Hong Kong and Macau.
- 3. Starting from 1 January 2019, vessels (excluding military vessels, sport vessels and fishing boats) within the DECA are required to use compliant fuel.



Figure 1. The geographical boundary of the PRD DECA

Details of the implementation plan can be found at following website (Chinese version only):

http://www.moc.gov.cn/2016wangshangzhibo/2016zhuanti2/xiangguanlianjie/201602/t20160201_1984227.html

4. In his Policy Address 2017, the Chief Executive announced that the HKSAR Government would collaborate with Guangdong Maritime Authorities to set up the PRD DECA.

The Proposed Controls

- 5. We propose to introduce a new regulation under the Air Pollution Control Ordinance (Cap. 311) requiring all OGVs and RTVs to use compliant fuel in Hong Kong waters, starting from 1 January 2019. In other words, they will have switched to using compliant fuel **before** entering into Hong Kong waters if they have been using non-compliant fuel beforehand. The compliant fuel requirement applies to main engines, auxiliary engines, boilers and generators on board OGVs and RTVs where applicable.
- 6. The compliant fuel will also include liquefied natural gas; or any other fuel approved by the Director of Environmental Protection on the ground that its use can achieve the reduction of sulphur dioxide emission at least as effectively as the use of fuel with sulphur content not exceeding 0.5% by weight.

Controlled Vessels

- 7. We also propose that the following vessels be exempted from the control requirements of the DECA
 - (a) the vessel is a military vessel, sport vessel or fishing boat;
 - (b) the vessel uses emission control technology that can achieve the reduction of emission of sulphur dioxide at least as effective as the use of fuel with sulphur content not exceeding 0.5% by weight; or
 - (c) compliance with the requirement will pose a risk to the safety of the vessel.

The definitions of vessels are at the **Annex**.

8. Local vessels are not a target of the proposal because they acquires their fuel, which is marine light diesel, from local sources. The sulphur content of marine light diesel on sale here has been capped at 0.05% under the Air Pollution Control (Marine Light Diesel) Regulation (Cap. 311Y), since 1 April 2014. The sulphur cap is more stringent than that of a DECA.

On Board Records and Documents

- 9. We propose that a vessel entering into or departing from Hong Kong waters should record the following in a log book as soon as practicable
 - (a) the date and time of arrival into Hong Kong waters;
 - (b) the date and time of departure from Hong Kong waters;
 - (c) the date and time, the position of the vessel, the volume and sulphur content of the

compliant fuel when the switch to complaint fuel, if any, is completed; and

(d) the date and time, the position of the vessel, the volume and sulphur content of the compliant fuel when the switch to non-complaint fuel, if any, commences.

The log book shall be kept on board for a period of three years.

10. Vessels should keep on board written procedures for its fuel switch operation.

11. The delivery note that relates to all marine fuels delivered to a vessel shall be kept on board

for a period of three years.

Enforcement

12. Enforcement officers will be empowered to board a vessel to inspect all the above-

mentioned documents and collect fuel samples to analyze their sulphur content, as they deem

necessary.

13. We propose that the maximum penalty for a contravention is a fine of HK\$200,000 and 6-

month imprisonment. This penalty level is in line with similar offences under the Air Pollution

Control (Ocean Going Vessels) (Fuel at Berth) Regulation (Cap. 311AA).

Switch Fuel At Berth

14. The proposed PRD DECA will also cover the period when the controlled vessel is at berth in

Hong Kong waters. We thus intend to repeal the Air Pollution Control (Ocean Going Vessels) (Fuel

at Berth) Regulation (Cap. 311AA) once the proposed control takes effect.

Legislative Timetable

15. We aim at consulting the Advisory Council on the Environment and the Panel on

Environmental Affairs of the Legislative Council in 2017 about the proposal with a view to

implementing the control on 1 January 2019.

Environmental Protection Department

March 2017

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The definitions of vessels covered in this proposal are as follows –

- (a) "Ocean-going vessel" means any vessel that
 - (i) holds a certificate in the form prescribed by the International Convention for the Safety of Life at Sea, 1974 as amended from time to time;
 - (ii) holds a certificate, other than (i) above, issued by a government authority of the Mainland permitting it to sail along the coast of the Mainland; or
 - (iii) is of 500 gross tonnage or over and holds a certificate, other than (i) or (ii) above, issued by a government authority of a place outside Hong Kong.
- (b) "River trade vessel" means any vessel plying exclusively within the river trade limits which is defined by the Shipping and Port Control Ordinance (Cap 313).
- (c) "Local vessel" means any vessel used solely within the waters of Hong Kong, whether registered under the Merchant Shipping (Registration) Ordinance (Cap 415) or in a place outside Hong Kong.
- (d) "Military vessel" means any warship or any other vessel on military service.
- (e) "Sport vessel" means any vessel which is primarily used for sport or recreation.
- (f) "Fishing boat" means any vessel which is engaged in fishing activity, fishery production or fishery research.