

Head 100 —MARINE DEPARTMENT

Controlling officer: the Director of Marine will account for expenditure under this Head.

Estimate 2001–02	\$984.4m
Establishment ceiling 2001–02 (notional annual mid-point salary value) representing an estimated 1 689 non-directorate posts at 31 March 2001 reducing by ten posts to 1 679 posts at 31 March 2002.	\$439.6m
In addition there will be an estimated 21 directorate posts at 31 March 2001 and at 31 March 2002.	
Capital Account commitment balance	\$5.1m

Controlling Officer's Report

Programmes

Programme (1) Infrastructure	This programme contributes to Policy Area 3: Air and Sea Communications (Secretary for Economic Services).
Programme (2) Port Services	This programme contributes to Policy Areas 3: Air and Sea Communications (Secretary for Economic Services), 9: Internal Security (Secretary for Security), 21: Transport (Secretary for Transport), 22: Buildings, Lands and Planning (Secretary for Planning and Lands) and 23: Environmental Protection and Conservation (Secretary for the Environment and Food).
Programme (3) Local Services	This programme contributes to Policy Areas 3: Air and Sea Communications (Secretary for Economic Services) and 23: Environmental Protection and Conservation (Secretary for the Environment and Food).
Programme (4) Services to Ships	This programme contributes to Policy Areas 3: Air and Sea Communications (Secretary for Economic Services) and 8: Employment (Secretary for Education and Manpower).
Programme (5) Government Fleet	This programme contributes to Policy Area 27: Intra-Governmental Services (Secretary for Economic Services).

Detail

Programme (1): Infrastructure

	1999–2000 (Actual)	2000–01 (Approved)	2000–01 (Revised)	2001–02 (Estimate)
Financial provision (\$m)	33.5	33.5 (0.0%)	31.6 (–5.7%)	32.2 (+1.9%)

Aim

2 The aim is to enhance the contribution of the port and shipping related activities to Hong Kong's economy by furthering the interests of Hong Kong's merchant shipping and ensuring the provision of the necessary physical, regulatory and policy bases.

Brief Description

3 Port and shipping related activities are fundamental to Hong Kong's trade and economic growth. Timely planning is needed to ensure that port facilities, including the information systems of the Marine Department, keep pace with demand. Legislation and policy must also be developed to support and protect Hong Kong's maritime interests. This work involves:

- undertaking port planning;
- formulating policies on ship registration, safety of ships, marine environment protection, seafarers qualifications and welfare;
- participating in the development of international conventions and liaising with other Administrations on shipping matters;
- management of local craft;
- collation and analysis of statistics; and
- formulating and implementing information system strategy to support the department's business.

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4 In 2000, the targets on planning and legislation were met in most cases. It is estimated that port and shipping related activities will continue to experience a period of consolidation in 2001. The container throughput in 2000 is 17.8 million Twenty-foot Equivalent Units (TEUs), representing an increase of about 10% over that of the preceding year. Registration and survey procedures for Hong Kong registered ships have been streamlined and related fees reduced to make the Hong Kong Shipping Register more competitive and more user friendly.

5 The key performance measures are:

Target

	Target	1999 (Actual)	2000 (Actual)	2001 (Plan)
to facilitate timely application of international conventions in Hong Kong, complete the Draft Drafting Instructions for legislation nine months before the conventions enter into force internationally	100% of cases	N.A. §	91	95

Indicators

	1999 (Actual)	2000 (Actual)	2001 (Estimate)
container throughput (million TEUs).....	16.1	17.8	19.0
projects under planning which will affect the port and its associated facilities.....	77	84	83

§ Not applicable

Matters Requiring Special Attention in 2001–02

6 During 2001–02, the department will:

- formulate safety and manning standards and set up a certification system for Hong Kong vessels engaged in coastal trading (Mainland ports); and
- continue to ensure that sufficient port and marine facilities are planned to meet demand and that marine impacts arising from territorial developments are kept to a manageable level.

Programme (2): Port Services

	1999–2000 (Actual)	2000–01 (Approved)	2000–01 (Revised)	2001–02 (Estimate)
Financial provision (\$m)	315.2	341.6 (+8.4%)	333.3 (–2.4%)	338.9 (+1.7%)

Aim

7 The aim is to enable ocean-going vessels (OGVs) using the port to conduct their business quickly, safely and economically.

Brief Description

8 This programme involves the following areas of work:

- regulation of shipping movements including the provision of Vessel Traffic Services and aids to navigation;
- provision of hydrographic and charting services;
- management of government buoys and anchorages;
- regulation of pilotage services;
- management of passenger ferry terminals;
- maintaining emergency preparedness;
- co-ordination of search and rescue activities;
- inspection of foreign OGVs in Hong Kong waters for port state control purposes to ensure their compliance with international safety standards;
- control of conveyance of dangerous goods at sea; and

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- provision of harbour scavenging services and implementation of international conventions and local laws on environmental protection.

9 Safe vessel movements have been further enhanced through the commissioning of the Local Marine Control Station at Kwai Chung and re-organisation of the anchorage and fairway in the West Lamma Area. Continued efforts have been made to tackle littoral and floating rubbish in Hong Kong waters. To fulfill Hong Kong's commitment to the Tokyo Memorandum of Understanding, the inspection rate is required to be maintained at 15% or above of OGVs visiting Hong Kong each year. This target and other targets on the efficient and safe running of the port were achieved in 2000.

10 The key performance measures are:

Targets

	Target	1999 (Actual)	2000 (Actual)	2001 (Plan)
complete port formalities for OGVs	22 minutes or less@	25	22	22
perform initial inspection on OGVs for compliance with international requirements on ship safety and environmental protection (excluding re-inspections) (% of OGVs inspected)..	15	18	15	15
respond to search and rescue and casualty evacuation incidents	Immediate	Immediate	Immediate	Immediate
allocate a passenger ferry berth within 5 minutes of request.....	99% at CFT# 99% at MFT†	99 99	99 99	99 99
respond on site to oil spillages inside harbour limits within 2 hours	100%	100	96	100
hydrographic survey of Hong Kong waters	350 km ² ††	280	380	350
publication of new nautical charts covering Hong Kong waters	2φ	3	2	2
maintain the availability of aids to navigation up to international standard ..	99%	99	99	99

Indicators

	1999 (Actual)	2000 (Actual)	2001 (Estimate)
container throughput by OGVs (million TEUs).....	12.3	13.3	14.0
OGV arrivals (does not include vessels in transit through Hong Kong waters to Shenzhen ports).....	37 000	37 000	37 300
collisions, strandings and strikings affecting OGVs in Hong Kong waters.....	104	83	N.A.§
search and rescue operations and casualty evacuations co-ordinated	78	60	N.A.§
passengers using marine ferry terminals (m)	16.0	17.1	17.2
refuse collected from ships (tonnes).....	1 190	1 327	1 350
floating refuse collected (tonnes).....	8 050	8 713	9 050
aids to navigation maintained (number).....	461	462	468
wreck search and new dangers survey (times).....	27	23	N.A.§
production of hydrographic plans (number).....	45	55	60

@ The previous target was 25 minutes or less. The target is revised to 22 minutes or less to reflect increased efficiency in the completion of port formalities for OGVs.

CFT means China Ferry Terminal. The previous target was 97%. The target is revised to 99% to reflect increased efficiency in the allocation of a passenger ferry berth at CFT.

† Macau Ferry Terminal.

†† The previous target was 250 km². The target is revised to 350 km² to reflect increased efficiency in conducting hydrographic survey in the light of experience.

φ The previous target was 3. The target is revised to 2 due to modified charting scale brought about by increased actual coverage.

§ Not applicable

Matters Requiring Special Attention in 2001–02

11 During 2001–02, the department will:

- identify suitable sites for the establishment of new marine refuse collection points to enhance marine cleansing services;

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- review the strategy for performing cleansing of floating refuse in Hong Kong waters;
- modernise and rationalise the aids to navigation in the waters of Hong Kong;
- upgrade the vessel traffic services system;
- establish local traffic surveillance system at Green Island;
- establish control measures for emission of black smoke from vessels;
- continue to strengthen the regulation on the carriage of dangerous goods by vessels in Hong Kong waters; and
- set up the certification system for vessel traffic regulators to comply with International Maritime Organisation (IMO) standard.

Programme (3): Local Services

	1999-2000 (Actual)	2000-01 (Approved)	2000-01 (Revised)	2001-02 (Estimate)
Financial provision (\$m)	89.2	96.9 (+8.6%)	92.9 (-4.1%)	94.9 (+2.2%)

Aim

12 The aim is to ensure the safe and efficient use of Hong Kong waters by locally licensed and river trade vessels.

Brief Description

13 This programme involves the following areas of work:

- managing Public Cargo Working Areas (PCWAs);
- managing typhoon shelters;
- managing private moorings;
- liaising with local associations, district councils and vessel operators;
- providing licensing services to locally licensed and river trade vessels;
- enforcing the Shipping and Port Control Ordinance;
- conducting the port formalities for locally licensed and river trade vessels; and
- detaining and disposing of crafts seized by enforcement agencies.

14 The casualty rate of non-OGVs has continued to be kept at a very low level through effective traffic management and control.

15 The key performance measures are:

Targets

	Target	1999 (Actual)	2000 (Actual)	2001 (Plan)
complete port formalities for river trade vessels	10 minutes or less	10	10	10
inspect locally licensed and river trade vessels for compliance with marine legislations	18 000@	15 000	18 000	18 000

Indicators

	1999 (Actual)	2000 (Actual)	2001 (Estimate)
cargo throughput for PCWAs (m tonnes) #	12.0	12.0	12.0
river trade cargo vessel arrivals	114 000	119 000	123 600
licences issued for local craft	14 880	13 100	13 200
collisions, strandings and strikings affecting locally licensed, river trade and coastal vessels in Hong Kong waters	300	326	N.A.§
refuse collected from locally licensed and river trade vessels (tonnes).....	1 200	1 263	1 270

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@ The previous target was 15 000. The target is revised to 18 000 to reflect the increased effort as part of a safety campaign programme.

A revised methodology has been adopted in 2000 to present cargo tonnage data for 1999 and thereafter.

§ Not applicable

Matters Requiring Special Attention in 2001–02

16 During 2001–02, the department will:

- continue to implement the management reform of PCWAs to enhance the operational efficiency and business friendly environment;
- continue to implement the recommendations of the Helping Business Phase II Study in respect of licensing and surveying of local vessels;
- enact the subsidiary legislations of the Merchant Shipping (Local Vessels) Ordinance for better control and regulation of local vessels;
- provide legislation for the operation of Coastal Vessel Control Centre;
- enhance the regulation of oil barge operation; and
- establish traffic control measures at Kap Shui Mun channel and Kwai Chung basin.

Programme (4): Services to Ships

	1999–2000 (Actual)	2000–01 (Approved)	2000–01 (Revised)	2001–02 (Estimate)
Financial provision (\$m)	57.8	56.0 (–3.1%)	60.2 (+7.5%)	61.2 (+1.7%)

Aim

17 The aim is to ensure that Hong Kong ships comply with international and local regulations and are designed, constructed, maintained and manned by competent crews for safe operation and protection of the marine environment.

Brief Description

18 This programme relates to the registration and licensing of Hong Kong vessels and the competence of their crews. This involves:

- enforcing international conventions;
- maintaining the quality of Hong Kong Register of Ships;
- conducting examination and issuing certificates of seafarers;
- regulating the recruitment and engagement conditions of seafarers;
- conducting initial safety surveys for registration and licensing;
- carrying out periodical surveys and inspection of registered ships and local craft;
- investigating accidents;
- ensuring safety of cargo handling and ship repairs; and
- ascertaining the cause of marine casualties and marine industrial accidents.

19 The aim of the programme has been consistently achieved. The safety standards of Hong Kong registered ships and licensed craft continue to be maintained at a high level. All the major international maritime conventions are being enforced and measures are in hand to enact and enforce the recent major amendments to international conventions. The competitiveness and user friendliness of the Hong Kong Register of Ships have been maintained. The Flag State Quality Control (FSQC) System has proved to be effective and efficient in maintaining the quality of ships in the Hong Kong Shipping Register. The level of services to ships remains steady. The safety of cargo handling, ship repair and marine construction activities within Hong Kong waters is ensured by carrying out safety inspections. Pamphlets, posters and notices on safe working practices are published for the promotion of marine industrial safety.

20 The key performance measures are:

Targets

	Target	1999 (Actual)	2000 (Actual)	2001 (Plan)
analyse ship records to assess ship's safety performance.....	60%	19.8	30@	60

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	Target	1999 (Actual)	2000 (Actual)	2001 (Plan)
FSQC inspection of Hong Kong registered ships	10%	6	6.2#	10

Indicators

	1999 (Actual)	2000 (Actual)	2001 (Estimate)
percentage of Hong Kong registered ships found deficient in Port State Control inspections by other administrations	3.7	3.1	N.A.§
gross registered tonnage on the register (m)	8.3	10.4	11.5
authorisations issued to man Hong Kong ships	6 330	7 208	8 000
fatalities in marine industrial accidents	8	6	N.A.§
casualties involving Hong Kong registered ships.....	3	8	N.A.§

@ Actual % of ship records analysed was below the target because of the extremely labour intensive nature of the current process. The situation will improve in 2001 with more electronic records available from recognised organisations.

Actual % of FSQC inspections carried out was below the target because of the sharp increase in the total number of Hong Kong registered ships.

§ Not applicable

Matters Requiring Special Attention in 2001–02

21 During 2001–02, the department will:

- continue to fine tune the implementation of Flag State Quality Control System;
- implement the revised local certificates of competency scheme recommended in the Local Craft Review upon the commencement of the Merchant Shipping (Local Vessels) Ordinance;
- continue to implement the 1995 amendments to the Standard of Training, Certification and Watchkeeping Convention;
- continue to improve the operational efficiency of licensing and surveying of local vessels;
- continue to amend Shipping and Port Control (Cargo Handling) Regulations to enhance the safety of marine industrial operations;
- compile code of practices to provide safety guidance to workers engaged in marine industrial operations;
- implement the on-line computerised examination system for local certificates of competency on enactment of the revised local certificate of competency scheme;
- continue to make direct marketing calls to local and overseas shipping companies to promote the services of the Hong Kong Shipping Register; and
- continue to strengthen shipping links with the Mainland by harmonising the shipping standards, consultation and contact with the Mainland Authorities.

Programme (5): Government Fleet

	1999–2000 (Actual)	2000–01 (Approved)	2000–01 (Revised)	2001–02 (Estimate)
Financial provision (\$m)	439.0	453.3 (+3.3%)	452.9 (–0.1%)	457.2 (+0.9%)

Aim

22 The aim is to provide cost-effective marine transport services to government departments.

Brief Description

23 This programme relates to the management of the government fleet and involves:

- developing a long term strategy for the procurement of new or replacement of government vessels;
- coordinating the procurement of government vessels and monitoring their construction and commissioning;
- performing planned and unplanned maintenance of government vessels; and
- operating Marine Department's crewed fleet and providing marine transport services to other government departments.

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24 The Government Dockyard provides maintenance service to over 600 vessels and operational personnel for over 80 vessels for use by various government departments.

25 The key performance measures are:

Target

	Target	1999 (Actual)	2000 (Actual)	2001 (Plan)
vessel availability to all users (%)	87	87	86	87

Indicators

	1999 (Actual)	2000 (Actual)	2001 (Estimate)
number of mechanised vessels in use	152	154	155
number of new vessel projects undertaken	7	5	7

Matters Requiring Special Attention in 2001–02

26 During 2001–02, the department will implement a series of improvement measures recommended by the Management Services Agency in their management studies on government fleet operations and maintenance. The measures, which include a pilot scheme of hiring two commercial vessels for use as patrol launches, will enhance the department's efficiency and cost-effectiveness in providing marine transport services to government departments.

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ANALYSIS OF FINANCIAL PROVISION

Programme	1999-2000 (Actual) (\$m)	2000-01 (Approved) (\$m)	2000-01 (Revised) (\$m)	2001-02 (Estimate) (\$m)
(1) Infrastructure	33.5	33.5	31.6	32.2
(2) Port Services	315.2	341.6	333.3	338.9
(3) Local Services	89.2	96.9	92.9	94.9
(4) Services to Ships	57.8	56.0	60.2	61.2
(5) Government Fleet	439.0	453.3	452.9	457.2
	934.7	981.3 (+5.0%)	970.9 (-1.1%)	984.4 (+1.4%)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2001-02 is \$0.6 million (1.9%) higher than the revised estimate for 2000-01. This is mainly due to the additional provision for hosting maritime technical assistance training courses in Hong Kong.

Programme (2)

Provision for 2001-02 is \$5.6 million (1.7%) higher than the revised estimate for 2000-01. This is mainly due to the lower than expected expenditure for implementing the maritime oil spill response plan, and the full-year provision for posts created and filled in 2000-01.

Programme (3)

Provision for 2001-02 is \$2.0 million (2.2%) higher than the revised estimate for 2000-01. This is mainly due to the full-year provision for posts created and filled in 2000-01, partly offset by the deletion of one post under the Enhanced Productivity Programme.

Programme (4)

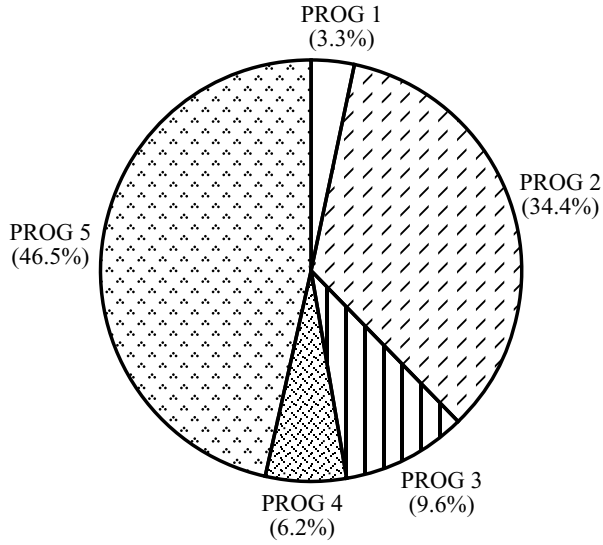
Provision for 2001-02 is \$1.0 million (1.7%) higher than the revised estimate for 2000-01. This is mainly due to the full-year provision for posts created and filled in 2000-01, partly offset by the deletion of four posts as a result of office automation and re-organisation.

Programme (5)

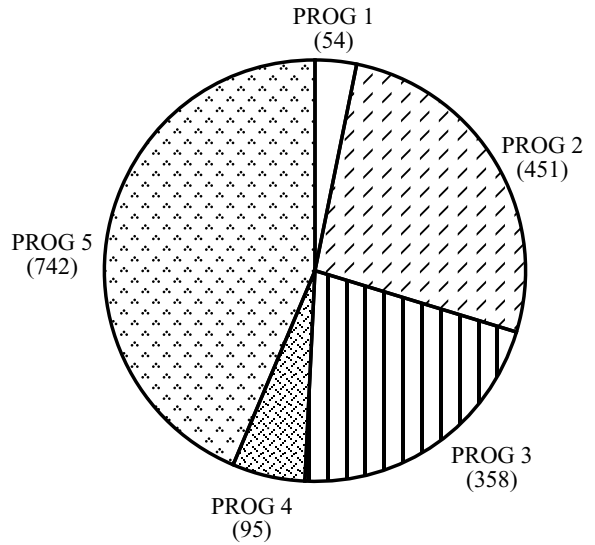
Provision for 2001-02 is \$4.3 million (0.9%) higher than the revised estimate for 2000-01. This is mainly due to the additional provision for new vessels, partly offset by the deletion of three posts under the Enhanced Productivity Programme and a further two posts following a manpower review.

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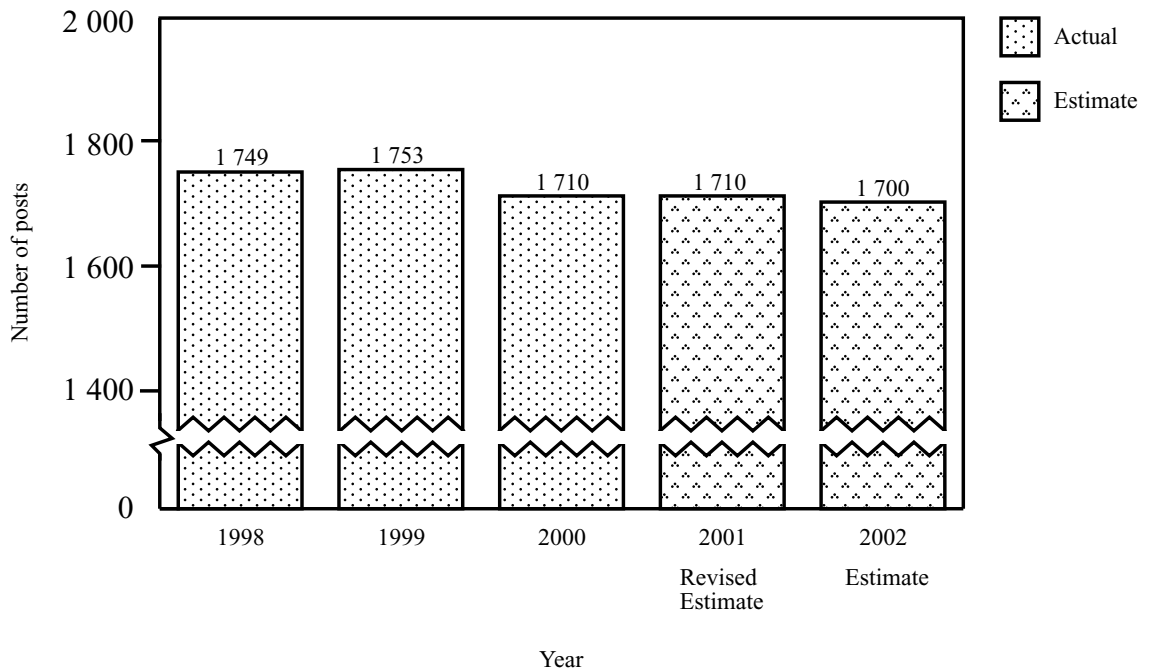
Allocation of provision to programmes (2001-02)



Staff by programme (as at 31 March 2002)



Changes in the size of the establishment (as at 31 March)



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Sub-head (Code)		Actual expenditure 1999–2000	Approved estimate 2000–01	Revised estimate 2000–01	Estimate 2001–02
		\$ 000	\$ 000	\$ 000	\$ 000
Recurrent Account					
I — Personal Emoluments					
001	Salaries	490,640	481,254	487,154	493,847
002	Allowances	25,314	28,773	22,825	22,632
007	Job-related allowances	5,099	6,122	6,050	6,027
	Total, Personal Emoluments	<u>521,053</u>	<u>516,149</u>	<u>516,029</u>	<u>522,506</u>
III — Departmental Expenses					
102	Technical Services Agreement	26,514	31,822	31,663	31,013
120	Maintenance materials	108,638	109,630	109,150	113,520
121	Contract maintenance.....	84,210	92,973	92,508	96,953
149	General departmental expenses.....	154,556	200,833	190,503	198,767
	Total, Departmental Expenses	<u>373,918</u>	<u>435,258</u>	<u>423,824</u>	<u>440,253</u>
	Total, Recurrent Account	<u>894,971</u>	<u>951,407</u>	<u>939,853</u>	<u>962,759</u>
Capital Account					
I — Plant, Equipment and Works					
661	Minor plant, vehicles and equipment (block vote).....	30,103	28,884	30,002	19,800
	Plant, vehicles and equipment	6,215	1,000	—	—
	Total, Plant, Equipment and Works	<u>36,318</u>	<u>29,884</u>	<u>30,002</u>	<u>19,800</u>
II — Other Non-Recurrent					
700	General other non-recurrent	3,400	—	1,000	1,830
	Total, Other Non-Recurrent	<u>3,400</u>	<u>—</u>	<u>1,000</u>	<u>1,830</u>
	Total, Capital Account	<u>39,718</u>	<u>29,884</u>	<u>31,002</u>	<u>21,630</u>
	Total Expenditure	<u><u>934,689</u></u>	<u><u>981,291</u></u>	<u><u>970,855</u></u>	<u><u>984,389</u></u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2001–02 for the salaries and expenses of the Marine Department is \$984,389,000. This represents an increase of \$13,534,000 over the revised estimate for 2000–01 and of \$49,700,000 over actual expenditure in 1999–2000.

Recurrent Account

Personal Emoluments

2 Provision of \$522,506,000 for personal emoluments represents an increase of \$6,477,000 over the revised estimate for 2000–01.

3 The establishment at 31 March 2001 will be 1 710 permanent posts. It is expected that ten permanent posts will be deleted in 2001–02.

4 Subject to certain conditions, the controlling officer may under delegated powers create or delete non-directorate posts during 2001–02, but the notional annual mid-point salary value of all such posts must not exceed \$439,637,000.

5 Provision of \$22,632,000 under *Subhead 002 Allowances* is for standard allowances.

6 Provision of \$6,027,000 under *Subhead 007 Job-related allowances* is for standard job-related allowances.

Departmental Expenses

7 Provision of \$31,013,000 under *Subhead 102 Technical Services Agreement* is to meet payments to PCCW-HKT International Limited for services provided under the Technical Services Agreement.

8 Provision of \$113,520,000 under *Subhead 120 Maintenance materials* includes provision for materials and minor spare parts for the maintenance and repair of the government fleet, plant, furniture, office and specialist equipment, aids to navigation equipment, and harbour buoys and moorings. The increase of \$4,370,000 (4.0%) over the revised estimate for 2000–01 is mainly due to the additional provision for new vessels.

9 Provision of \$96,953,000 under *Subhead 121 Contract maintenance* includes provision for hull and deck repairs each costing \$100,000 or less and minor maintenance and repair of government fleet, plant, furniture, office and specialist equipment, and harbour buoys and moorings. The increase of \$4,445,000 (4.8%) over the revised estimate for 2000–01 is mainly due to the additional provision for new vessels.

10 Provision of \$198,767,000 under *Subhead 149 General departmental expenses* represents an increase of \$8,264,000 (4.3%) over the revised estimate for 2000–01. This is mainly due to the lower than expected expenditure for implementing the maritime oil spill response plan in 2000–01 and increased requirements for hire of services and for hosting maritime technical assistance training courses in Hong Kong.

Capital Account

Plant, Equipment and Works

11 Provision of \$19,800,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents a decrease of \$10,202,000 (34.0%) against the revised estimate for 2000–01. This is mainly due to a reduced requirement for minor plant and equipment.

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Capital Account

Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2000	Revised estimated expenditure for 2000-01	Balance
			\$ 000	\$ 000	\$ 000	\$ 000
700		<i>General other non-recurrent</i>				
	547	Hosting of the 15 th Cospas-Sarsat Joint Committee Meeting.....	780	—	—	780
	548	Hosting of the 10 th International Symposium on Vessel Traffic Services in 2004.....	3,400	—	—	3,400
	549	Consultancy Study on the demand for ex-seafarers of the port, maritime and related industry in Hong Kong	900	—	—	900
		Total	<u>5,080</u>	<u>—</u>	<u>—</u>	<u>5,080</u>