

Head 100 — MARINE DEPARTMENT

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

Estimate 2013–14	\$1,045.1m
Establishment ceiling 2013–14 (notional annual mid-point salary value) representing an estimated 1 350 non-directorate posts as at 31 March 2013 and as at 31 March 2014	\$461.1m
In addition, there will be an estimated 22 directorate posts as at 31 March 2013 and as at 31 March 2014.	
Commitment balance	\$73.0m

Controlling Officer's Report

Programmes

Programme (1) Infrastructure	This programme contributes to Policy Area 3: Air and Sea Communications and Logistics Development (Secretary for Transport and Housing).
Programme (2) Port Services	This programme contributes to Policy Area 3: Air and Sea Communications and Logistics Development (Secretary for Transport and Housing), Policy Area 9: Internal Security (Secretary for Security), Policy Area 21: Land and Waterborne Transport (Secretary for Transport and Housing), Policy Area 22: Buildings, Lands, Planning, Heritage Conservation, Greening and Landscape (Secretary for Development) and Policy Area 23: Environmental Protection, Conservation, Power and Sustainable Development (Secretary for the Environment).
Programme (3) Local Services	This programme contributes to Policy Area 3: Air and Sea Communications and Logistics Development (Secretary for Transport and Housing) and Policy Area 23: Environmental Protection, Conservation, Power and Sustainable Development (Secretary for the Environment).
Programme (4) Services to Ships	This programme contributes to Policy Area 3: Air and Sea Communications and Logistics Development (Secretary for Transport and Housing) and Policy Area 8: Employment and Labour (Secretary for Labour and Welfare).
Programme (5) Government Fleet	This programme contributes to Policy Area 27: Intra-Governmental Services (Secretary for Transport and Housing).

Detail

Programme (1): Infrastructure

	2011–12 (Actual)	2012–13 (Original)	2012–13 (Revised)	2013–14 (Estimate)
Financial provision (\$m)	43.3	44.4	47.2 (+6.3%)	47.5 (+0.6%)
				(or +7.0% on 2012–13 Original)

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.

Head 100 — MARINE DEPARTMENT

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 Department, keep pace with demand. Legislation and policy must also be developed to support and protect Hong Kong's maritime interests. The work involves:

- undertaking the planning of government port facilities;
- 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 maritime administrations on shipping matters;
- managing local craft;
- formulating and implementing information system strategy to support the Department's business; and
- discharging the duties as the Designated Authority under the International Ship and Port Facility Security Code in enhancing maritime security.

4 In 2012, the Department generally achieved the aim of the programme. Port and shipping related activities will likely remain steady in 2013. Sound regulation and quality service have ensured a steady growth of the Hong Kong Shipping Register, which grew to 78.8 million gross tonnage as at 31 December 2012.

5 The key performance measures are:

Target

	Target	2011 (Actual)	2012 (Actual)	2013 (Plan)
efforts to facilitate timely application of international conventions in Hong Kong: Draft Drafting Instructions for legislation to be completed nine months before the conventions enter into force internationally (%).....	95.0	100.0	96.9	95.0

Indicators

	2011 (Actual)	2012 (Actual)	2013 (Estimate)
container throughput (million twenty-foot equivalent units)....	24.4§	23.3	23.5
projects under planning which will affect the port and its associated facilities.....	88	92	92

§ The figure is an update for the one set out in the 2012–13 Estimates.

Matters Requiring Special Attention in 2013–14

6 During 2013–14, the Department will continue to:

- implement the regulatory regime on local vessels and safety of shipboard works under the Merchant Shipping (Local Vessels) Ordinance (Cap. 548);
- develop measures to make the Hong Kong Shipping Register more efficient, user-friendly and attractive;
- take forward amendments to local legislation to reflect the latest international standards promulgated by the International Maritime Organization or relevant bodies including the Revised Annex VI (for prevention of air pollution) to the MARPOL 73/78 Convention and the Maritime Labour Convention, 2006; and
- work on legislative amendments for enhancing the control of dark smoke emission from vessels in the waters of Hong Kong.

Head 100 — MARINE DEPARTMENT

Programme (2): Port Services

	2011–12 (Actual)	2012–13 (Original)	2012–13 (Revised)	2013–14 (Estimate)
Financial provision (\$m)	360.9	390.4	381.5 (–2.3%)	387.6 (+1.6%)
				(or –0.7% on 2012–13 Original)

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:

- regulating shipping movements including the provision of vessel traffic services and aids to navigation;
- providing hydrographic and charting services;
- managing government buoys and anchorages;
- regulating pilotage services;
- managing passenger ferry terminals;
- maintaining emergency preparedness;
- co-ordinating search and rescue activities;
- inspecting foreign OGVs in Hong Kong waters for Port State Control (PSC) purposes to ensure their compliance with international safety and pollution prevention standards;
- controlling conveyance of dangerous goods at sea; and
- providing harbour scavenging services and implementing international conventions and local laws on environmental protection.

9 In 2012, the Department continued to ensure the efficient and safe running of the port. Safe vessel movements were maintained through vigilant monitoring and regulation of marine traffic. Continued efforts were made to tackle littoral and floating rubbish in Hong Kong waters. The outsourcing arrangements for provision of marine cleansing services have been enhanced with reference to findings from a review conducted jointly with the Efficiency Unit. To fulfil Hong Kong's commitment to the Tokyo Memorandum of Understanding, the PSC inspection rate was set at 15 per cent of OGVs visiting Hong Kong each year. The tenancy agreement of the Tuen Mun Ferry Terminal for operation of cross-boundary passenger ferry services was terminated on 9 September 2012 by the operator. The feasibility of resuming the service at the Tuen Mun Ferry Terminal is being explored. The upgrading works at China Ferry Terminal and Macau Ferry Terminal were completed in December 2011 and August 2012 respectively. The Department continued to monitor closely the operation of cross-boundary ferry services to ensure that they would meet the demand of the public.

10 The key performance measures are:

Targets

	Target	2011 (Actual)	2012 (Actual)	2013 (Plan)
completing port formalities for OGVs (minutes).....	20 or less	20	20	20
performing initial inspection on OGVs for compliance with international requirements on ship safety and environmental protection (excluding re-inspections) (% of OGVs inspected).....	15	15	15	15
responding to search and rescue and casualty evacuation incidents.....	immediate	immediate	immediate	immediate
allocating a passenger ferry berth within five minutes of request at				
China Ferry Terminal (%).....	99	99	99	99
Macau Ferry Terminal (%).....	99	99	99	99

Head 100 — MARINE DEPARTMENT

	Target	2011 (Actual)	2012 (Actual)	2013 (Plan)
responding on site to oil spillages inside harbour limits within two hours (%)	100	100	100	100
hydrographic survey of Hong Kong waters (km ²)	300	300	300	300
publishing new nautical charts covering Hong Kong waters	2	2	2	2
maintaining the availability of aids to navigation (%)	99	99	99	99
maintaining the reliability / continuity of aids to navigation in service up to international standard (%)	99	99	99	99
operational availability of the Hong Kong Vessel Traffic Services (HKVTS) system (%)	99.9	99.9	99.9	99.9

Indicators

	2011 (Actual)	2012 (Actual)	2013 (Estimate)
container throughput by OGVs (million twenty-foot equivalent units)	17.4Δ	16.8	17.1
OGV arrivals (excluding vessels in transit through Hong Kong waters to Shenzhen ports)	32 500Δ	30 700	30 700
collisions, strandings and strikings involving OGVs in Hong Kong waters	17	14	N.A.
search and rescue operations co-ordinated	37	55	N.A.
passengers using marine ferry terminals (million)	25.7Δ	26.0	26.0
refuse collected from ships (tonnes)	2 465Δ	2 519	2 520
floating refuse collected (tonnes)	11 086Δ	10 996	11 000
aids to navigation maintained	543	539	542
wreck search and new dangers survey (times)	7	11	N.A.
hydrographic plans produced	58	60	60

Δ The figures are updates for the ones set out in the 2012–13 Estimates.

Matters Requiring Special Attention in 2013–14

11 During 2013–14, the Department will continue to :

- arrange PSC officer exchange programmes with the Mainland Maritime Safety Administration and other maritime administrations to promote harmonisation of inspections and enhance co-operation with other maritime administrations; and
- implement the project of replacing/upgrading the HKVTS system so as to ensure navigational safety and traffic efficiency in Hong Kong waters.

Programme (3): Local Services

	2011–12 (Actual)	2012–13 (Original)	2012–13 (Revised)	2013–14 (Estimate)
Financial provision (\$m)	95.5	99.4	99.9 (+0.5%)	106.0 (+6.1%)

(or +6.6% on
2012–13 Original)

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;

Head 100 — MARINE DEPARTMENT

- managing private moorings;
- providing licensing services to locally licensed vessels;
- enforcing the Merchant Shipping (Local Vessels) Ordinance;
- conducting port formalities for locally licensed and river trade vessels; and
- detaining and disposing of craft seized by enforcement agencies.

14 In 2012, the Department continued to keep the casualty rate of non-OGVs at a very low level through effective traffic management and control.

15 The key performance measures are:

Targets

	Target	2011 (Actual)	2012 (Actual)	2013 (Plan)
completing port formalities for river trade vessels (minutes).....	10 or less	10	10	10
inspecting locally licensed and river trade vessels for compliance with marine legislation (no. of inspections).....	16 000	16 000	16 000	16 000

Indicators

	2011 (Actual)	2012 (Actual)	2013 (Estimate)
cargo throughput for PCWAs (million tonnes).....	8.0	7.1	7.1
river trade cargo vessel arrivals	84 700 ^Ω	77 800	75 400
licences issued for local vessels	15 400	16 300	17 100
collisions, strandings and strikings involving locally licensed, river trade and coastal vessels in Hong Kong waters	92	112	N.A.
refuse collected from locally licensed and river trade vessels (tonnes)	1 839	1 832	1 830
special operations conducted	28	28	50

^Ω The figure is an update for the one set out in the 2012–13 Estimates.

Matters Requiring Special Attention in 2013–14

16 During 2013–14, the Department will:

- continue to implement the Merchant Shipping (Local Vessels) Ordinance for better control and regulation of local vessels;
- follow up on the audit recommendations set out in the Audit Report No. 59 on the Provision of Local Services by the Department; and
- enhance the safety of local passenger carrying vessels and take other appropriate follow-up actions in response to the recommendations of the Commission of Inquiry into the Collision of Vessels near Lamma Island on 1 October 2012 and the Local Vessels Advisory Committee.

Programme (4): Services to Ships

	2011–12 (Actual)	2012–13 (Original)	2012–13 (Revised)	2013–14 (Estimate)
Financial provision (\$m)	75.6	77.9	80.3 (+3.1%)	80.3 (—)
				(or +3.1% on 2012–13 Original)

Aim

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

Head 100 — MARINE DEPARTMENT

Brief Description

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

- enforcing international conventions;
- maintaining the quality of the Hong Kong Shipping Register;
- conducting examinations and issuing certificates of seafarers;
- regulating the recruitment and engagement conditions of seafarers;
- carrying out initial and periodical safety surveys and inspections of locally licensed and river trade vessels;
- investigating accidents;
- ensuring the safety of cargo handling and ship repairs; and
- ascertaining the cause of marine casualties and marine industrial accidents.

19 In 2012, the Department continued to achieve the aim of the programme regarding the safety standards of Hong Kong-registered ships and licensed craft. All the major international maritime conventions were enforced, and plans were made to enact and enforce recent major amendments to international conventions. The competitiveness and user-friendliness of the Hong Kong Shipping Register were maintained. The quality assurance system on Hong Kong-registered ships, which included the Flag State Quality Control (FSQC) and the Pre-registration Quality Control (PRQC) inspection systems, was strengthened to ensure the quality of ships in the Register and in preventing sub-standard ships from joining the Register. The Ship Safety Branch which enforced FSQC and PSC effectively maintained its ISO 9000 quality standards during the year and was duly certificated. Exchanges with the relevant Mainland authorities were maintained.

20 The key performance measures are:

Targets

	Target	2011 (Actual)	2012 (Actual)	2013 (Plan)
assessing the quality performance of Hong Kong-registered ships by the FSQC management system (%)	100	100	100	100
quality assurance inspection and audits on Hong Kong-registered ships and their management companies (%)	5	5	5	5

Indicators

	2011 (Actual)	2012 (Actual)	2013 (Estimate)
Hong Kong-registered ships detained in PSC inspections by other administrations (%)	3.4	2.5	2.5
gross registered tonnage on the Register (million)	68.3	78.8	82.5
authorisations issued to man Hong Kong-registered ships and locally licensed vessels	20 506	22 430	23 800
fatalities in marine industrial accidents	4	6	N.A.
casualties involving Hong Kong-registered ships	6	9	N.A.
inspection visits to locally licensed vessels	3 581	2 801	2 800
certificates of surveys issued to locally licensed vessels	2 701	1 949	1 950

Matters Requiring Special Attention in 2013–14

21 During 2013–14, the Department will continue to:

- implement the local certificate of competency scheme, delegation of surveys and updated safety standards for locally licensed vessels, and safety requirements for marine industrial operations under the Merchant Shipping (Local Vessels) Ordinance and related subsidiary legislation;
- strengthen the quality assurance system on Hong Kong-registered ships, which includes FSQC and PRQC inspections, and audits on management companies on the performance of their safety management system; and
- strengthen liaison and co-operation with the Mainland authorities in order to harmonise shipping standards for coastal vessels and OGVs.

Head 100 — MARINE DEPARTMENT

Programme (5): Government Fleet

	2011–12 (Actual)	2012–13 (Original)	2012–13 (Revised)	2013–14 (Estimate)
Financial provision (\$m)	399.2	401.9	410.0 (+2.0%)	423.7 (+3.3%)

(or +5.4% on
2012–13 Original)

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:

- co-ordinating the procurement of new government vessels and monitoring their construction and commissioning;
- performing planned and unplanned maintenance of government vessels; and
- operating the Department's crewed fleet and providing marine transport services to other government departments.

24 The Government Dockyard maintains 807 vessels owned and used by various government departments. Of these vessels, 43 are operated by the Department.

25 The key performance measures are:

Target

	Target	2011 (Actual)	2012 (Actual)	2013 (Plan)
vessel availability to all users (%).....	87.0	87.6	88.2	87.0

Indicators

	2011 (Actual)	2012 (Actual)	2013 (Estimate)
mechanised vessels in use	110	108	108
new vessel projects undertaken	16	18	22
user satisfaction with Government Dockyard's services (%)...	99.1	99.1	99.0
successful first sea trials after vessel maintenance (%).....	91.7	93.8	90.0
crew staff time available for deployment (%)	86.2	87.8	87.8

Matters Requiring Special Attention in 2013–14

26 During 2013–14, the Department will continue to explore ways to improve Hong Kong's environment in a number of areas such as continuing the paint tests for selecting environmentally friendly and effective paint systems for government vessel uses, completing the installation of solar heaters for crew shower use, reducing government vessels' fuel consumption and reducing exhaust emission, improving waste management, and raising staff awareness of industrial safety and environmental issues. Furthermore, the Department will continue to install additional shore power supplies in the Government Dockyard to further reduce noise pollution and emission of lay-by vessels.

Head 100 — MARINE DEPARTMENT

ANALYSIS OF FINANCIAL PROVISION

Programme	2011-12 (Actual) (\$m)	2012-13 (Original) (\$m)	2012-13 (Revised) (\$m)	2013-14 (Estimate) (\$m)
(1) Infrastructure	43.3	44.4	47.2	47.5
(2) Port Services	360.9	390.4	381.5	387.6
(3) Local Services	95.5	99.4	99.9	106.0
(4) Services to Ships	75.6	77.9	80.3	80.3
(5) Government Fleet.....	399.2	401.9	410.0	423.7
	974.5	1,014.0	1,018.9 (+0.5%)	1,045.1 (+2.6%)
				(or +3.1% on 2012-13 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2013-14 is \$0.3 million (0.6%) higher than the revised estimate for 2012-13. This is mainly due to the salary increments for staff.

Programme (2)

Provision for 2013-14 is \$6.1 million (1.6%) higher than the revised estimate for 2012-13. This is mainly due to the filling of vacancies, salary increments for staff and the increased requirement for plant and equipment. One post will be created in 2013-14.

Programme (3)

Provision for 2013-14 is \$6.1 million (6.1%) higher than the revised estimate for 2012-13. This is mainly due to the filling of vacancies, salary increments for staff and the increased requirement for plant and equipment.

Programme (4)

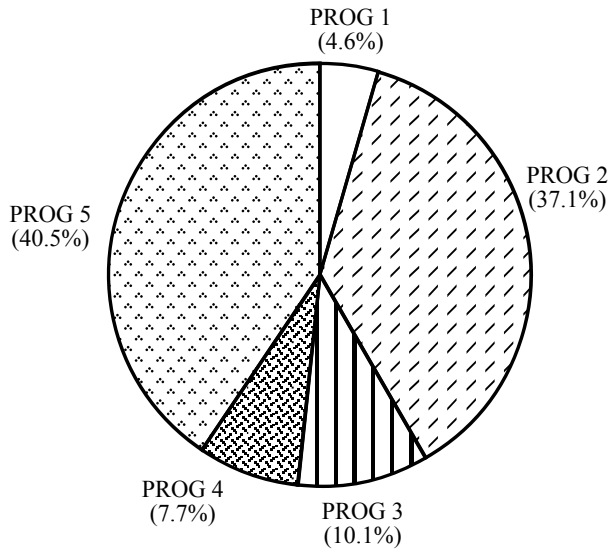
Provision for 2013-14 is the same as the revised estimate for 2012-13.

Programme (5)

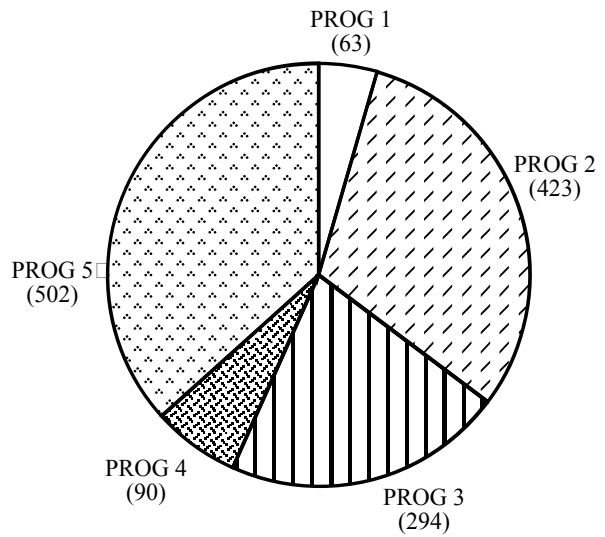
Provision for 2013-14 is \$13.7 million (3.3%) higher than the revised estimate for 2012-13. This is mainly due to the filling of vacancies, salary increments for staff and the increased requirement for plant and equipment. There will be a net decrease of one post in 2013-14.

Head 100 — MARINE DEPARTMENT

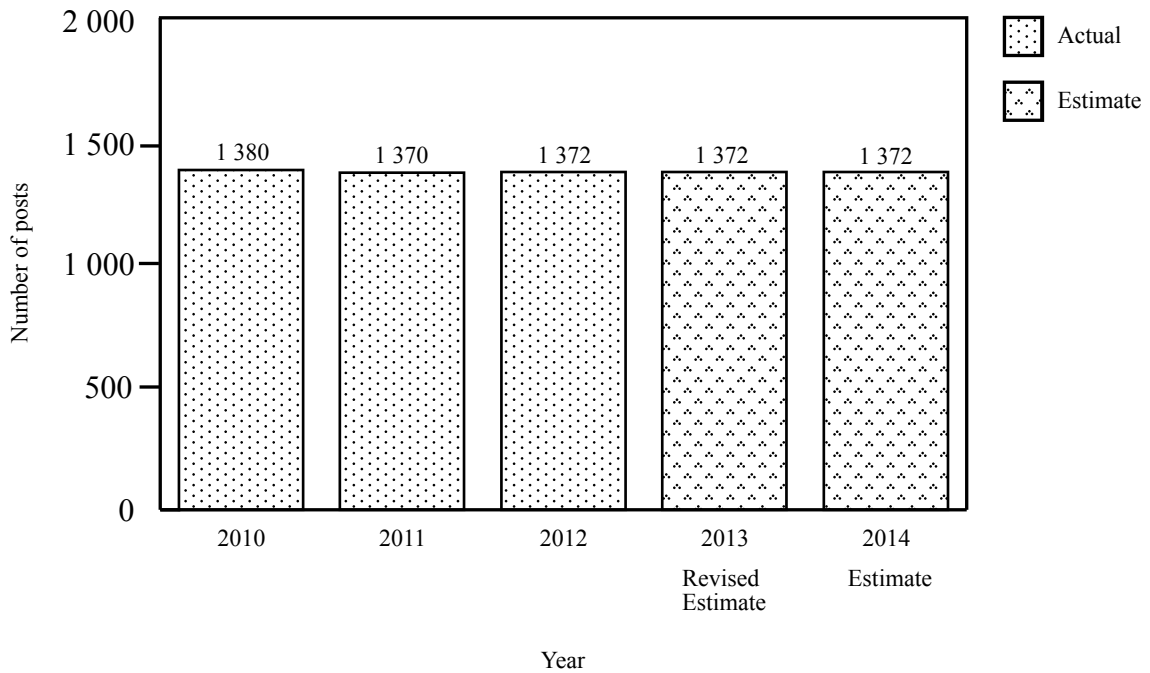
Allocation of provision to programmes (2013-14)



Staff by programme (as at 31 March 2014)



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



Head 100 — MARINE DEPARTMENT

Sub-head (Code)		Actual expenditure 2011-12	Approved estimate 2012-13	Revised estimate 2012-13	Estimate 2013-14
		\$'000	\$'000	\$'000	\$'000
Operating Account					
Recurrent					
000	Operational expenses	942,745	972,433	986,104	997,333
	Total, Recurrent	<u>942,745</u>	<u>972,433</u>	<u>986,104</u>	<u>997,333</u>
Non-Recurrent					
700	General non-recurrent	2,109	3,460	3,100	3,100
	Total, Non-Recurrent	<u>2,109</u>	<u>3,460</u>	<u>3,100</u>	<u>3,100</u>
	Total, Operating Account.....	<u>944,854</u>	<u>975,893</u>	<u>989,204</u>	<u>1,000,433</u>
Capital Account					
Plant, Equipment and Works					
603	Plant, vehicles and equipment.....	—	8,354	—	12,439
661	Minor plant, vehicles and equipment (block vote).....	29,655	29,744	29,744	32,178
	Total, Plant, Equipment and Works.....	<u>29,655</u>	<u>38,098</u>	<u>29,744</u>	<u>44,617</u>
	Total, Capital Account.....	<u>29,655</u>	<u>38,098</u>	<u>29,744</u>	<u>44,617</u>
	Total Expenditure	<u><u>974,509</u></u>	<u><u>1,013,991</u></u>	<u><u>1,018,948</u></u>	<u><u>1,045,050</u></u>

Head 100 — MARINE DEPARTMENT

Details of Expenditure by Subhead

The estimate of the amount required in 2013–14 for the salaries and expenses of the Marine Department is \$1,045,050,000. This represents an increase of \$26,102,000 over the revised estimate for 2012–13 and of \$70,541,000 over actual expenditure in 2011–12.

Operating Account

Recurrent

2 Provision of \$997,333,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Marine Department.

3 The establishment as at 31 March 2013 will be 1 372 posts. No change in establishment is expected in 2013–14. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2013–14, but the notional annual mid-point salary value of all such posts must not exceed \$461,070,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2011–12 (Actual) (\$'000)	2012–13 (Original) (\$'000)	2012–13 (Revised) (\$'000)	2013–14 (Estimate) (\$'000)
Personal Emoluments				
- Salaries	460,729	466,193	483,741	494,498
- Allowances	10,149	9,183	10,186	10,378
- Job-related allowances.....	4,286	4,711	4,427	4,892
Personnel Related Expenses				
- Mandatory Provident Fund contribution	1,296	1,410	1,743	2,080
- Civil Service Provident Fund contribution	3,728	6,124	6,233	8,459
- Disturbance allowance.....	—	277	—	—
Departmental Expenses				
- Maintenance materials	95,309	95,262	95,262	95,300
- Contract maintenance	81,541	79,807	79,852	79,900
- General departmental expenses	285,707	309,466	304,660	301,826
	942,745	972,433	986,104	997,333

Capital Account

Plant, Equipment and Works

5 Provision of \$32,178,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents an increase of \$2,434,000 (8.2%) over the revised estimate for 2012–13. This is mainly due to the increased requirement for minor plant and equipment.

Head 100 — MARINE DEPARTMENT

			Commitments			
Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2012	Revised estimated expenditure for 2012–13	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	429	Sea-going Training Incentive Scheme ...	28,200	10,069	3,100	15,031
			28,200	10,069	3,100	15,031
<i>Capital Account</i>						
603		<i>Plant, vehicles and equipment</i>				
	801	Replacement of patrol launch "Marine 119"	5,500	—	—	5,500
	804	Replacement of patrol launch "Marine 5"	9,950	—	—	9,950
	809	Replacement of patrol launch "Marine 6"	9,950	—	—	9,950
	810	Replacement of patrol launch "Marine 8"	9,950	—	—	9,950
	854	Replacement of three steel lighters in Government Dockyard	7,380	—	—	7,380
	893	Replacement of hydrographic survey launch "Hydro 1"	9,735	—	—	9,735
	899	Replacement of patrol launch "Marine 117"	5,500	—	—	5,500
			57,965	—	—	57,965
		Total	86,165	10,069	3,100	72,996