

HONG KONG GOVERNMENT PROMULGATED AN ACTION PLAN ON MARITIME AND PORT DEVELOPMENT STRATEGY

The promulgation of the Hong Kong Government's highly anticipated Action Plan on Maritime and Port Development Strategy on 20 December 2023, has received wide industry support. The eighty-page document outlining 10 strategies and 32 action measures in four directions amounts to the most comprehensive game plan for the port and maritime industries of Hong Kong since the last government-sponsored review in 2014.

Prefacing the release of the document the Secretary for Transport and Logistics, Mr Lam Sai-hung could not have set the bar higher as he declared, "With its superior geographical location, unique institutional advantages, free economic system and rich experience of international business and trade, Hong Kong is well positioned to become the world's leading international maritime centre (IMC)."

The four overarching directions encompass: enhancing port competitiveness; strengthening high value-added maritime services; enhancing promotion of Hong Kong maritime brand and grooming talent; and enhancing the support of the Hong Kong Maritime and Port Board, all with the singular aim of consolidating and enhancing Hong Kong's position as an IMC.

Among the many areas targeted for support and/or reform are the development of a green shipping hub with zero-carbon emissions; smart port development and maritime digitalisation; and further tax concessions to attract international maritime enterprises.

The Government committed itself to promoting the maritime industry by introducing tax concessions for selected maritime businesses beginning 2020 through 2022, with generous tax incentives afforded to ship leasing companies, marine insurers, ship management companies, ship agents and ship brokers. Despite difficult circumstances, generated predominantly by the global pandemic, during that time-frame InvestHK has assisted more than 30 maritime-related businesses in establishing a presence and expanding businesses in Hong Kong. Based on that success, from 2024 the Government will further explore the viability of extending concessions to other providers of high value shipping services as a way to expand the IMC's innate expertise.

The Government has spared no effort in spearheading the development of Hong Kong port into a green port with the ultimate objective of net-zero greenhouse gas emissions. The completion of Hong Kong's first LNG terminal in July 2023 has paved the way for the introduction of LNG bunkering. As early as 2024 the Government will promulgate an action plan for the provision of green fuel bunkering. Beginning 2024 green and sustainable shipping will be actively promoted along with appropriate guidelines for the industry and the development of talent specialising in green energy for the shipping industry.





Commenting on the timing and extraordinary ambition of the Action Plan, the Deputy Secretary for Transport and Logistics, and Commissioner for Maritime and Port Development, Miss Amy Chan said: "We will, in collaboration with stakeholders in the maritime and port industry, implement the actions outlined in the plan progressively to strive towards the goal of consolidating Hong Kong as a leading international maritime centre."

Industry associations (such as the Hong Kong Shipowners Association, the Hong Kong Container Terminal Operators Association, and the Hong Kong Shippers' Council) have expressed their strong support and enthusiasm for the Government's Action Plan.

To read the full report follow the link below:

https://www.hkmpb.gov.hk/publications/Action_Plan_on_Maritime_and_Port_Development_Strategy_web.pdf



SECRETARY FOR TRANSPORT AND LOGISTICS PARTICIPATED IN MARINTEC CHINA 2023

Secretary for Transport and Logistics Mr Lam Sai-hung, was joined in Shanghai by members of the Hong Kong Maritime and Port Board (HKMPB) when he officiated at the opening ceremony of the China Hong Kong Pavilion at Marintec China 2023 on 5 December, the largest maritime exhibition in Asia.

The China Hong Kong Pavilion featured the Hong Kong Shipping Registry and five Hong Kong shipping companies with international background, ranging from marine equipment and ship manufacture to weather services and digital technology. In his capacity as the Chairman of HKMPB, Mr Lam took the opportunity to introduce Hong Kong as one of the world's long-recognised and leading maritime hubs to visitors and exhibitors from across the world.

Mr Lam explained: "With strong support from the Central Government, Hong Kong has continued to consolidate as an international shipping centre. Hong Kong is positioned as the "super connector" between Mainland China and the global markets with good reasons. With our business-friendly environment, Common Law system, competitive tax regime, and excellent professional services, Hong Kong serves as a natural springboard for Mainland companies to go global and for overseas companies to tap into the vast market in China."

During the visit to the Mainland, Mr Lam and HKMPB members joined Shanghai maritime trade representatives to explore further cooperation opportunities between the two cities. The delegation met the Vice Mayor of the Shanghai Municipal



Secretary for Transport and Logistics, Mr Lam Sai-hung, officiated at the opening ceremony of the China Hong Kong Pavilion at Marintec China 2023.

People's Government, Mr Zhang Xiaohong; the Director of the Shanghai Municipal Transportation Commission, Mr Yu Fulin; and the Deputy Director of the Shanghai Municipal Commission of Commerce, Mr Zhang Jie, to discuss means of strengthening collaboration between the two cities' maritime industries.

In a packed itinerary, Mr Lam and the delegation also met with representatives from the Shanghai Maritime University and the Shanghai International Shipping Institute to explore ways to nurture closer ties in maritime manpower training. Speaking on the overall visit, Mr Lam expressed his confidence in continuing the close cooperation between Hong Kong and Shanghai in the maritime and port industry.



MARITIME AND AVIATION TRAINING FUND FURTHER ENHANCED

(1) Launching of New “Maritime Services Traineeship Scheme – Legal”

An important step in enhancing Hong Kong's high value added maritime services was taken in September 2023 with the launching of the Maritime Services Traineeship Scheme – Legal. Conducted under the auspices of the Maritime and Aviation Training Fund (MATF), the Scheme aims to encourage law firms and barristers with maritime practices to offer traineeship for those looking to embark on a career in maritime law.

Law firms or barristers who have office or a place in Hong Kong with maritime business may apply. Law firm applicants shall be registered in Hong Kong under the Business Registration Ordinance.

A successful applicant may receive a monthly subsidy of HK\$20,000 for each trainee (trainee solicitor or pupil), subject to a limit of two trainees per applicant at one time.

Trainees under the Scheme are subject to a maximum period of 24 months for a trainee solicitor and 12 months for a pupil.

For full details of the Scheme and how to apply please go to

<https://www.tlb.gov.hk/matf/eng/maritime/msts-legal.html>



(2) Enhancement Measures taken on Three Existing Schemes

With effect from 1 December 2023, the HKSAR Government has further implemented enhancement measures for three subsidy schemes under the MATF with the aim to optimise the continued efforts in attracting and retaining maritime manpower.

With a view to improving the attractiveness and effectiveness of Sea-going Training Incentive Scheme (SGTIS) in enticing more local young people to take up sea-going training, the monthly subsidy for each cadet has been increased from \$6,000 to \$10,000 under Phase 1, an uplift of over 60%. The subsidy period of Phase 2 has been extended from 6 months to 9 months at the same time. With an objective to encourage practitioners to pursue higher professional qualifications, a new Phase 4 has been rolled out, applicants who have passed the examination and obtained Deck Officer or Marine Engineer Officer Certificate of Competency Class 2 or Class 1 and acquired 12 months' post-qualification sea service shall receive a one-off financial incentive of \$40,000 or \$80,000 respectively.

Enhancement measures have also been taken on Local Vessel Competency Enhancement Scheme (LVCES) and Ship Repair Training Incentive Scheme (SRTIS) with subsidy amounts increased. The one-off grant under the LVCES has been adjusted upwards from \$12,000 to \$15,000 per eligible applicant who passed examination and obtained Coxswain or Engine Operator Grade 2 Certificate. Save for beneficiaries from Local Vessel Trade Training Incentive Scheme, LVCES would further provide a one-off financial incentive of \$12,000 per eligible applicant who passed examination and obtained Coxswain or Engine Operator Grade 3 Certificate. Additionally, to effectively attract new blood to join the ship repair industry, the monthly subsidy has also been increased from \$3,000 to \$5,000 per apprentice, for a period of not more than 36 months, under the SRTIS.

For full details of the three schemes and how to apply please go to

<https://www.mardep.gov.hk/en/recruitment-and-maritime-industry/incentive-schemes/sea-going-training-incentive-scheme/index.html>

<https://www.mardep.gov.hk/en/recruitment-and-maritime-industry/incentive-schemes/local-vessel-competency-enhancement-scheme/index.html>

<https://www.tlb.gov.hk/matf/eng/maritime/srtis.html>

