

Government promulgates Action Plan on Green Maritime Fuel Bunkering (with photos)

The Government promulgated the Action Plan on Green Maritime Fuel Bunkering today (November 15) to set out clear strategies and actions to promote the development of Hong Kong into a high-quality green maritime fuel bunkering centre.

In view of the International Maritime Organization (IMO)'s target to reach net-zero carbon emissions from international shipping by or around 2050, as well as a series of medium-term measures reducing carbon emissions that the IMO will endorse and that are expected to take effect in 2027, including promulgating a maritime fuel standard and launching a global maritime carbon pricing mechanism, the industry has started to switch to using low or even zero-carbon green maritime fuels, so as to meet the tightening international emission reduction standards and to fulfil environmental, social and governance responsibilities. As an associate member of the IMO, Hong Kong is obliged to follow the IMO's emission reduction target. At the same time, to dovetail with the development direction and targets of the country on carbon peak and carbon neutrality as set out in the National 14th Five-Year Plan; the measures on promoting the development of green ports and enhancing the promotion and application of clean maritime fuels as set out in the 14th Five-Year Plan Comprehensive Work Plan for Energy Conservation and Emission Reduction; as well as the strategies related to the promotion of the establishment of a national Ship Energy Efficiency Centre, active participation in the global governance of emission reduction of the maritime industry and encouragement of vessels to use clean, green and low-carbon maritime fuels under the 14th Five-Year Development Plan for the Maritime System, Hong Kong must also expedite the development of green maritime fuel bunkering and develop into a high-quality green maritime fuel bunkering centre, so as to enhance the international status and competitiveness of its port.

To this end, the Chief Executive announced in his 2023 Policy Address to develop Hong Kong into a green maritime fuel bunkering centre. The Transport and Logistics Bureau (TLB), in collaboration with the Environment and Ecology Bureau, immediately commenced a feasibility study and proceeded to formulate this Action Plan by taking into account international experiences and the current market developments, as well as in consultation with the Hong Kong Maritime and Port Board (HKMPB) and various organisations and players in the industry.

The Action Plan sets out a number of targets, including following the emission reduction target set by the IMO to reach net-zero carbon emissions from international shipping by or around 2050; reducing carbon emissions from Hong Kong-registered ships by at least 11 per cent (compared to 2019) and ensuring that 55 per cent of the diesel-fuelled vessels in the Government

fleet switch to using green maritime fuels by 2026; and reducing carbon emissions from the Kwai Tsing Container Terminals by 30 per cent (compared to 2021), as well as ensuring that 7 per cent of Hong Kong-registered ships take up green maritime fuels by 2030.

To achieve the above targets, the Action Plan sets out five green-centric strategies and 10 actions, covering a wide range of areas such as the supply of green maritime fuels, infrastructural support, port emissions reduction, incentive measures, collaboration with the Mainland and overseas, and talent training. Among them, the Action Plan proposes that Hong Kong should keep pace with the international development trends and develop the bunkering of multiple green maritime fuels simultaneously, and actively facilitate the conclusion of offtake agreements on green maritime fuels between green maritime fuel bunkering suppliers mainly from the Mainland and shipping companies, so as to establish an effective supply chain of green maritime fuels. The Government will support the industry and provide facilitation measures in various areas to promote the overall development of the green maritime fuel bunkering ecosystem. The Government has identified a land parcel near the port for green maritime fuel storage and expects to invite expressions of interest from the industry next year in developing the designated site. The Government will also facilitate the conduct of the first liquefied natural gas (LNG) ship-to-ship bunkering demonstration by the industry within the first half of 2025, and establish the Green Maritime Fuel Bunkering Incentive Scheme to encourage pioneer enterprises to start green maritime fuel bunkering businesses in Hong Kong. The strategies and action measures under the Action Plan are listed in the Annex.

With the timely implementation of the Action Plan, the Government expects that Hong Kong will provide bunkering services to ocean-going vessels powered by green maritime fuels such as LNG or green methanol for over 60 times a year by 2030, involving over 200 000 tonnes of green maritime fuels.

The Secretary for Transport and Logistics, Mr Lam Sai-hung, said, "This Action Plan fully reflects the Hong Kong Special Administrative Region Government's determination to develop green maritime fuel bunkering, and provides clear and definite directions and action targets for Hong Kong to keep pace with the international trends of green shipping. We will, in accordance with the strategies and actions set out in the Action Plan, continue to work with relevant stakeholders in the industry and actively take forward various action measures, with a view to developing Hong Kong into the most preferred green maritime fuel bunkering and trading centre in the region, thereby contributing to emissions reduction of the maritime industry."

The TLB expressed its deep appreciation to the HKMPB and industry players for their invaluable views. The Action Plan has been uploaded to the website of the TLB (www.tlb.gov.hk/eng/index.html).

