

Government proposes legislative amendments to implement Block Registration Incentive Scheme in Hong Kong Shipping Registry

The Government will gazette tomorrow (December 13) a proposal to amend the Merchant Shipping (Registration) (Fees and Charges) Regulations (Cap. 415A) for implementing the Block Registration Incentive Scheme in the Hong Kong Shipping Registry (HKSR), with a view to attracting more shipowners to register their ships in Hong Kong.

The Scheme is one of the proposed action measures in the Action Plan on Maritime and Port Development Strategy promulgated by the Government in December last year. Under the Scheme, if more than one eligible ship is registered with the HKSR within 24 months, the owners of the ships concerned may be provided with a refund of the ship registration fee and the first-year annual tonnage charge. One application may cover ships of different owners and may be submitted by a shipowner, ship manager or ship agent.

A spokesperson of the Transport and Logistics Bureau said, "The HKSR is renowned for both its quality and quantity. Hong Kong-registered ships rank as the fourth largest in the world in terms of gross tonnage; the Port State Control detention rate of Hong Kong-registered ships is only 0.81 per cent, which is significantly lower than the world average of 3.39 per cent, reflecting the high degree of safety and reliability of the Hong Kong fleet, which has earned us an outstanding reputation in the world. Even though the current registration fee of the HKSR is highly competitive, we have noticed that some other major flag states and administrations have already rolled out block registration incentives. We thus deem it necessary to launch a similar scheme in Hong Kong, with a view to further strengthening the HKSR's competitiveness and fostering our leading position among shipping registries in the world. The Marine Department will actively reach out to shipowners and shipping-related companies to promote the Scheme through its network on the Mainland and overseas."

The Government has consulted relevant stakeholders in the shipping industry on the Scheme, and the trade has expressed support. The Government also proposes to amend the Merchant Shipping (Fees) Regulations (Cap. 281F) to delete some antiquated provisions.

The proposed legislative amendments will be tabled at the Legislative Council on December 18 for negative vetting. The target is to implement them on February 14, 2025.