

Marine Department launches Green Incentive Scheme to facilitate green transformation of Hong Kong-registered ships

The Marine Department (MD) announced today (June 28) that the Green Incentive Scheme is now open for applications from eligible Hong Kong-registered ships until December 31, 2026, to encourage the green transformation of the maritime industry.

The Government promulgated the Action Plan on Maritime and Port Development Strategy on December 20, 2023, outlining 10 strategies and 32 concrete action measures to support the sustainable development needs of the maritime and port industry in Hong Kong, with a view to enhancing the long-term competitiveness of the industry. One of the action measures is to provide green incentive to Hong Kong-registered ships that have attained high ratings under the international standards on decarbonisation formulated by the International Maritime Organization (IMO). The Government has allocated \$65 million in the 2024-25 Budget to implement this initiative.

Under the Scheme, all Hong Kong-registered ships of 5 000 gross tonnage or above in possession of a valid "Statement of Compliance – Fuel Oil Consumption Reporting and Operational Carbon Intensity Rating" showing that the ship has attained rating A or B in the Carbon Intensity Indicator (CII) formulated by the International Maritime Organization (IMO) are eligible for the green incentive. Each qualified Hong Kong-registered ship is eligible to receive \$20,000 per corresponding year from 2024 to 2026. If a ship attains rating A or B in the CII throughout three years from 2024 to 2026, it may receive a maximum incentive of \$60,000.

A spokesman for the MD said, "Hong Kong-registered ships are renowned for their high quality and safety. The port state control detention rate of Hong Kong-registered ships in 2023 was only 0.81 per cent, significantly lower than the global average of 3.39 per cent. The Hong Kong Shipping Registry (HKSR) is consistently included in the white list of the Paris Memorandum of Understanding (MoU) and the Tokyo MoU, and recognised in the United States Coast Guard Qualship 21 programme."

"Hong Kong, China, as an associate member of the IMO, has been committed to supporting the organisation's decarbonisation initiatives. Although various green incentives have been introduced by other flag administrations, so far none of them has introduced a CII-related green incentive. Hong Kong will be the pioneer administration supporting the IMO's green shipping policy on the CII. The measure will help promote the image of the HKSR as a green fleet and reinforce its brand in the international maritime arena," the spokesman continued.

To promote the work of the HKSR and introduce the Green Incentive Scheme, the MD has uploaded a new promotional leaflet (www.mardep.gov.hk/filemanager/en/share/publications/pdf/materials/hksr.pdf). The application form of the Scheme has also been uploaded onto the MD's website (www.mardep.gov.hk/filemanager/en/share/hksr/gisform.pdf).