

Introduction of the Green Maritime Fuel Bunkering Incentive Scheme (“the Scheme”)

- (i) Description** - The Scheme aims to encourage pioneer enterprises to start green maritime fuel bunkering businesses in Hong Kong early, by providing them incentive after they have completed relevant assessments in relation to green maritime fuel bunkering and provided such bunkering services to ocean-going vessels within a specified period of time. Providing incentive to first-movers will also help level the playing field between pioneers and late-joiners, as the latter might be able to benefit from the operational experience of the former.
- (ii) Eligibility**
- Companies which are interested in and capable of bunkering liquefied natural gas (“LNG”) and/or green methanol (“recognised green maritime fuels”) in Hong Kong are eligible for the current tranche of the Scheme. To start maritime fuel bunkering operations within Hong Kong waters, an interested company shall conduct risk assessments in respect of the operation, obtain approval from the Marine Department for the mode of the bunkering operation, and ensure that the bunkering vessel used holds a full or temporary local licence and is compliant with the prevailing statutory requirements on ship safety, dangerous goods control, etc.
 - The company must be Hong Kong-registered or have at least one Hong Kong-registered subsidiary, and have at least one Hong Kong-licensed bunkering vessel, whether by direct ownership, lease, partnership with companies that own such vessel, or other means that allow it to have access to such vessel legally for conducting bunkering operations, when claiming the incentive under the Scheme.
 - Companies which have already conducted the relevant assessments to MD’s satisfaction and/or conducted green maritime fuel bunkering operation(s) before Scheme launch are also eligible to join the Scheme.

(iii) Incentive

- Incentive may be provided to eligible pioneer applicants for successful bunkering operations conducted. The maximum amount of incentive for each type of recognised green maritime fuel is HK\$2,000,000.
- Incentive for each type of green maritime fuel will be disbursed on a first-come-first-served basis, the timing of which refers to the date when an applicant company conducts each eligible green maritime fuel bunkering operation in Hong Kong pursuant to completing the relevant assessments to MD's satisfaction, until the funding stipulated above (i.e. HK\$2,000,000) is depleted.
- A green maritime fuel bunkering operation must be completed within one year from MD's acceptance of the relevant assessments to be eligible for incentive under the Scheme.
- Throughout the one-year period, the incentivised company may carry out bunkering operations for multiple times and may qualify to receive incentive for the **first two operations** carried out within the period.
- The incentive levels are as follows –
 - First bunkering operation: HK\$500,000;
 - Second bunkering operation: HK\$500,000.
- Each company can only receive the incentive at most twice for each type of green maritime fuel under the Scheme.

(iv) Application Procedures

- After completing the relevant assessments and when submitting reports for MD's review, a company should indicate its interest in joining the Scheme by notifying MD. The notification should reflect the company's intention to join the Scheme and set out information including the company's plans (if available) for its first and second bunkering operation to supply the corresponding fuel to an ocean-going vessel.
- Upon MD's agreement, the applicant company may proceed to carry out its first and second bunkering operations to supply the corresponding fuel to an ocean-going vessel. After each

successful bunkering operation, an application form with relevant proof should be submitted to MD within two months since the completion of the bunkering operation, or within two month since the launch of the Scheme for companies which have already conducted the relevant assessments and green maritime fuel bunkering operation(s) before Scheme launch.

- The application must be submitted by a Hong Kong-registered company, which may be the applicant company that conducts the relevant assessments and bunkering operations, or its Hong Kong-registered subsidiary, with relevant proof of company ownership provided.
- Companies which have already conducted the relevant assessments and green maritime fuel bunkering operations before Scheme launch may directly submit application forms without making a separate notification.

- (v) **Incentive Disposal Arrangements** A corporate bank account in a Hong Kong bank is required for receiving the incentive. Incentive will be granted after the completion of each eligible bunkering operation, subject to MD's acceptance of the application.
- (vi) **Reporting Requirements** To apply for the incentive, the eligible company should submit an application form with the bunker delivery note and document proof of chartering or owning the bunker vessel (if applicable) enclosed to MD for each eligible bunkering operation conducted under the Scheme within two months after its completion. For details, please refer to the application form.
- (vii) **Note** For the purpose of claiming incentive under the Scheme, an operation in which an unreasonably small amount of green maritime fuel is bunkered may not be recognised.