

For discussion
on 28 January 2019

Legislative Council Panel on Economic Development

Proposed Injection into the Maritime and Aviation Training Fund

PURPOSE

This paper seeks Members' views on the proposal to inject \$200 million into the Maritime and Aviation Training Fund (MATF) to sustain and enhance the implementation of the Fund.

BACKGROUND

Establishment of the MATF

2. The Chief Executive announced in the 2018 Policy Address that the Government would inject \$200 million into the MATF to sustain the operation of existing schemes and initiatives, as well as implement enhancement measures and new training incentive schemes to groom more talents for the maritime and aviation industries.

3. To achieve the strategic objective of enhancing Hong Kong's position as international maritime and aviation centres and addressing the manpower needs of the two industries, the Government established the MATF in April 2014 with a commitment of \$100 million for a period of five years from 2014-15 to 2018-19. The MATF aims at –

- (a) attracting more new blood to expand the pool of talent and address the issue of aging workforce;
- (b) diversifying expertise of the workforce to meet manpower demands of the sectors, especially high value-added services; and
- (c) enhancing the overall competency and professionalism of the sectors and in turn our global competitiveness as international maritime and aviation centres.

4. Since its establishment, the MATF has been providing funding support for training incentives, subsidy schemes and scholarship programmes for the maritime and aviation industries. As at end-November 2018, the MATF has benefitted more than 6 630 students and in-service practitioners, with around 60% from the maritime sector and 40% from the aviation side. The expected expenditure by end-March 2019 is about \$72 million.

Funding Schemes under the MATF

5. At present, there are 14 funding schemes under the MATF, of which 10 are maritime-related, two aviation-related and the remaining two applicable to both the maritime and aviation sectors. The schemes are currently administered by Transport and Housing Bureau (THB), Marine Department (MD), Vocational Training Council (VTC) and various tertiary institutions in Hong Kong (mainly for scholarship and overseas exchange sponsorship schemes). The MATF schemes can be broadly categorised as follows –

Maritime: Seafaring

- (a) Sea-going Training Incentive Scheme (SGTIS)
- (b) Local Vessel Trade Training Incentive Scheme (LVTTIS)
- (c) Hong Kong Nautical and Maritime Scholarship Scheme
(in collaboration with the Polytechnic University of Hong Kong (PolyU))

Maritime: Services

- (d) Ship Repair Training Incentive Scheme (SRTIS)
- (e) The University of Hong Kong (HKU) – Dalian Maritime University (DMU) Academic Collaboration Scheme
- (f) Hong Kong Maritime and Logistics Scholarship Scheme
(in collaboration with PolyU)
- (g) Hong Kong Maritime Law Scholarship Scheme (in collaboration with City University of Hong Kong)
- (h) Overseas Exchange Sponsorship Scheme
- (i) Maritime Law Scholarship Scheme (in collaboration with HKU)

- (j) HKU-Shanghai Maritime University Academic Collaboration Scheme

Aviation: Services

- (k) Partial Tuition Refund Scheme for the Specialised Aircraft Maintenance Programme
- (l) Hong Kong Aviation Scholarship Scheme (in collaboration with PolyU, Hong Kong University of Science and Technology and the Hong Kong International Aviation Academy (HKIAA))

Competency Enhancement

- (m) Professional Training and Examination Refund Scheme (ProTERS)

Others

- (n) Maritime and Aviation Internship Scheme (MAIS)

Details and implementation progress of the above existing MATF schemes, including objectives, scope and modus operandi, are set out at **Annex**.

Promotion Initiatives

6. Noting that, apart from supporting in-service practitioners to receive training and enhance competency, it is equally important to reach out to the younger generations and the community at large, part of the MATF (about \$7 million out of the \$100 million) was set aside to support industry associations to organise promotional and outreaching programmes to raise the awareness of the maritime and aviation sectors among young people and members of the general public. To date, MATF has provided sponsorships of around \$4 million to different industry associations to host promotional and publicity initiatives and events to promote maritime and aviation careers. These sponsored events were attended by around 17 900 participants so far. Some highlights of these promotional events and initiatives include –

- (a) The annual “Day of Seafarer 6.25” organised by the Hong Kong Seamen’s Union (HKSU), which aims at attracting young people to gain direct exposure and experience in maritime-related industries through a series of fun-filled events and activities;

- (b) Maritime promotional activities and career talks by the Maritime Professional Promotion Federation to provide local students with the opportunity to visit tug boats, large vessels, dockyards, port facilities tour as well as take part in overnight onboard journeys. Students may get access to and gain experience in actual marine environment;
- (c) Educational activities and events co-organised by the Hong Kong Maritime Museum (HKMM) and the Hong Kong Shipowners Association under the “Hong Kong Maritime Awareness Week” (which was later incorporated as part of the Hong Kong Maritime Week) are a series of events and activities which allow students and members of the general public to gain knowledge on maritime and shipping through exhibitions, family games, visits and seminars;
- (d) Production of maritime education learning pack “Nautic Quest” to enhance the knowledge of the students on and arouse their interests towards the maritime and shipping industry. HKMM was engaged to produce the pack for higher form local secondary school students. The pack comprises three major elements which include multi-media roving exhibition, interactive learning platform and curriculum-related learning materials¹; and
- (e) Annual cocktail reception for the participants of the MAIS is an occasion which provides opportunities for the Government and the relevant advisory bodies, industry players, academia and student interns to get together to share experience under this initiative to promote the development of Hong Kong’s maritime and aviation sectors.

7. THB, in collaboration with the MD, has also participated in the annual Education & Career Expo organised by the Hong Kong Trade Development Council to promote the career prospects, job opportunities and career pathway of the maritime industry, including the sea-going sector and local vessel trade. Separately, with the sponsorship of MATF, HKSU and DMU have co-organised a pilot “Yu Kun Training Programme” starting 2018. The Programme aims at offering on-board training opportunities² to local seafaring students on a training

¹ These involve school-based learning materials (i.e. teachers’ books with exercises for classroom use as well as student-oriented self-learning worksheets) on maritime topics targeting Form 4 students in four Hong Kong Diploma of Secondary Education Examination core subjects, including Chinese Language, English Language, Mathematics, and Liberal Studies.

² During the 11-day programme, in addition to attending lectures / tutorials on-board, student participants were assigned to undertake seafaring duties of a Deck or Engineer Officer on the training ship so that they could gain real navigational or engineering watchkeeping experience and operational knowledge of an ocean-going vessel.

ship of DMU (i.e. M.V. Yu Kun) to study and gain working experience at sea. A total of 19 students of VTC and PolyU joined the pilot Programme in the summer of 2018 and their feedback on the Programme was very positive. As a major employer of the aviation industry, the Airport Authority Hong Kong has been organising career expos annually to promote career opportunities in the industry and supporting its manpower development. With a view to attracting more new blood to the aviation industry and support its overall development, HKIAA actively reaches out to schools and young people by organising career talks and summer camps to introduce to them the abundant opportunities and options ahead.

CONTROL AND REVIEW MECHANISM

8. To ensure proper and efficient use of the MATF, the Government has put in place a robust control mechanism for all schemes administered by the THB, MD and VTC. In brief, each scheme has its own procedural guidelines, criteria for approving applications, reporting and auditing requirements as well as prescribed arrangements for disbursement of grants. The Steering Group on Maritime Services Manpower (Steering Group) under the Manpower Development Committee (MDC) of the Hong Kong Maritime and Port Board and the Tripartite Taskforce on Manpower Training (Aviation) (Tripartite Taskforce), comprising members of the professionals, academia and stakeholders of the maritime and aviation industries respectively, are set up separately to advise on the administration of respective maritime and aviation MATF schemes. Members of the Steering Group and the Tripartite Taskforce are also invited to join the selection panels organised in collaboration with the tertiary institutions concerned to interview the candidates under respective scholarship schemes. For ProTERS, SGTIS, LVTTIS and SRTIS, there is a mechanism for applicants to lodge appeals against the decisions of the Secretariat on their applications.

9. The MDC and Tripartite Taskforce monitor the implementation progress and the usage of funds under various maritime and aviation MATF schemes by convening regular meetings or through perusal of written reports. The MDC is also tasked to vet promotion initiative applications or funding proposals submitted by industry organisations in accordance with established criteria and guiding principles. After five years of implementation, the above control mechanism is considered effective in safeguarding the proper use of MATF and will continue in the future.

JUSTIFICATIONS FOR FUNDING INJECTION

Financial Position

10. Funding under the MATF is used flexibly between the maritime and aviation sectors to support the various incentive, scholarship and internship schemes, as well as the promotion initiatives. In 2018-19, the estimated expenditure of MATF is about \$23.47 million. Based on the past and projected spending up to end-March 2019, maritime-related expenditure has accounted for 70% of the total expenses under MATF while aviation-related expenditure has accounted for about 30%. The expenditure and balance of the MATF since 2014 are set out as follows –

Year	Expenditure (\$million)	Balance (\$million)
2014-15	5.58 ³	94.42
2015-16	8.61 ³	85.81
2016-17	12.27	73.54
2017-18	22.08	51.46
2018-19 (estimate)	23.47	27.99

11. Having implemented the Fund for nearly five years, it is observed that the overall spending pattern is beginning to stabilise. Assuming that MATF will continue to operate on the existing scale and parameters (i.e. not taking into account any enhancement measures⁴ or new initiatives), it is projected that the funding balance will be used up within 2019-20.

Feedback on review of MATF

12. A review exercise was conducted in mid-2018 to assess the overall effectiveness of the MATF and the implementation of individual schemes. Questionnaires were sent to MATF recipients (including students and in-service practitioner beneficiaries), course providers, participating companies and employer groups, respective industry associations and collaborators of respective schemes to gauge their views and comments on four aspects, namely (a) the overall objectives and effectiveness, (b) operations of MATF, (c) possible enhancement measures of existing schemes and (d) new initiatives to be

³ The expenditures for the first two years of implementation of the MATF were relatively low because three pre-existing Schemes, namely SGTIS, Hong Kong Maritime Law Scholarship Scheme and SRTIS, which were already in operation before the establishment of MATF, were still using the balance of their prevailing grants approved previously. The former two Schemes started using funding from MATF since 2016-17 when its previous funding was fully expended. The SRTIS would start to use MATF funding in February 2019.

⁴ Except for the enhancement measures to be made to SGTIS as endorsed by MDC (paragraph 3 of Annex refers) of which the expenses have been projected in the estimated expenditure.

introduced. Besides, meeting sessions were arranged with selected companies (mainly from the local ferry sector, aircraft maintenance sector, cargo handling operator sector and ground handling operator sector) to tap their views on possible measures to enhance training for the local vessel trade and aviation personnel given imminent manpower shortage problem facing these sectors.

13. According to the feedbacks received, nearly all student and in-service practitioner respondents considered that MATF schemes had helped them pursue continuing education to enhance their professionalism and competency. As for the participating companies of individual MATF schemes, most of them considered that the funding schemes could help attract new blood to the industry, and nearly all of them indicated that they would continue to participate in the MATF schemes. Overall speaking, respondents opined that the objectives of MATF had been met and they supported the continued implementation of the Fund and the respective schemes. Some suggested strengthening efforts to promote the Fund among the maritime and aviation industries as well as the general public to further raise their awareness of the two industries.

14. Some respondents remarked that the level of subsidies of certain MATF schemes, such as ProTERS, MAIS, Overseas Exchange Sponsorship Scheme, Partial Tuition Refund Scheme for the Specialised Aircraft Maintenance Programme, etc., have not been adjusted since the implementation of the MATF in 2014. They suggested the Government to consider raising the level of subsidy of these schemes. We have also received suggestions that for certain schemes, say for example the ProTERS, the target beneficiaries should be expanded to cover not only in-service practitioners, but also practitioners-to-be of the two industries, so that those who are currently working in other careers but would like to enter the maritime or aviation industry may also benefit from the Fund. Besides, some company respondents suggested expanding the scope of coverage of specific MATF schemes, or providing direct sponsorships to the maritime companies to organise in-house professional training for their employees. There are also suggestions to provide financial incentives to attract more young people to enroll in programmes that cater for the manpower needs of particular aviation sectors.

15. The above review results have been presented to the MDC and the Tripartite Taskforce. Members of both MDC and Tripartite Taskforce unanimously supported the proposed injection of funding to sustain the continued operation of MATF. We shall, in consultation with the MDC and the Tripartite Taskforce, develop possible improvement measures to enhance the operation of the MATF having regard to the manpower needs, the mode of operation of the maritime and aviation sectors and the ambit of the MATF.

Need for Funding Injection

16. As mentioned in paragraphs 4 and 5 above, the MATF currently supports 14 schemes which have benefitted over 6 630 students and in-service practitioners since its launch in 2014. It is projected that the Fund will be depleted within 2019-20. To support the continued operation of the MATF, we proposed to inject \$200 million into the Fund with a view to bringing the following benefits to the maritime and aviation industries –

- (a) enable not only the continued operation but also possible enhancement of the existing training incentives and scholarship schemes for the maritime and aviation industries in Hong Kong;
- (b) encourage more collaboration among the Government, stakeholders and employers in the two industries, together with tertiary institutions and other collaborators, to devise new initiatives for grooming talents and attracting new blood to the maritime and aviation industries, in particular local vessel trade;
- (c) support the introduction of improved measures and new training incentives for in-service practitioners to enhance competency and skills to better meet the latest development of aviation and maritime industries; and
- (d) offer funding subsidies to professional organisations to arrange activities and projects to raise public awareness of and promote the image and careers of the maritime and aviation industries thereby attracting people joining the two industries.

Proposed Enhanced Measures/New Initiatives

17. The proposed funding injection to MATF will make enhancements to existing schemes and/or introduction of new initiatives possible given the availability of additional financial resources. The responses and suggestions received during the MATF review as mentioned in paragraphs 12 to 14 above provide some direction for enhancement of the MATF schemes. For instance, beneficiaries of ProTERS are currently refunded with 80% of the fees upon completing the approved courses or passing of the respective examinations, subject to a cap of \$18,000 per applicant. With the newly injected funding, there may be room for raising the subsidy cap, so that in-service practitioners and in-service practitioners-to-be of the maritime and aviation industries would have greater incentive to take more relevant courses and examinations to further enhance their skills, competency and qualifications. Similarly, reimbursement amount for the

aviation and maritime interns under the MAIS, which is currently capped at 75% of the monthly honorarium or \$6,000 (whichever is lower), may be adjusted upward so as to attract more companies to offer internship places under the Scheme. Adjustments to the subsidy levels of other MATF schemes such as the Overseas Exchange Sponsorship Scheme, Partial Tuition Refund Scheme for the Specialised Aircraft Maintenance Programme, etc., might also be considered with more resources injected to the Fund.

18. Apart from enhancing existing schemes, the proposed funding injection would enable the Government to explore and implement new MATF schemes in collaboration with the industry. For instance, considering that Maritime Services Training Institute (MSTI) of VTC is the only institution offering higher diploma (HD) programme for young people in Hong Kong to pursue maritime studies and join the seafaring sector upon graduation, more collaborative schemes with MSTI could be explored to attract secondary school leavers to join the HD programme or encourage its graduates to further pursue degree programmes. One of the possible directions is to launch scholarship schemes for MSTI students with reference to the arrangement of existing MATF scholarship schemes being implemented in collaboration with the University Grants Committee-funded institutions.

19. Local vessel trade forms an integral part of the maritime sector in Hong Kong. During the MATF review, the local vessel companies expressed difficulties in recruiting staff (especially young people) and called for enhancements to the existing LVTTIS and development of more specific initiatives in coordination with local training institutions to help the sector to attract new blood. In this regard, the Secretariat is exploring with MSTI on the possibility to develop a dedicated training programme on local vessel trade to provide participants with a structured classroom cum in-service training. The target is to equip participating trainees with both academic and professional qualifications and practical skill sets upon completion of the training. Participants will also be given a clearer career progression pathway under the training programme. In addition, we will consider introducing measures to encourage more local vessel trade practitioners to take examinations and obtain higher professional qualifications (e.g. Coxswain/Engine Operator Grade 2 Local Certificate of Competency (CoC)), thereby creating a pool of skilled staff who can operate various types of local vessels to meet the manpower demand of the trade.

20. As regards manpower situation in the aviation industry, difficulties in recruitment and staff retention are the two major issues identified by industry stakeholders. They called for the Government to devise new initiatives under the MATF to help attract and retain new recruits. At present, there is only one scheme

under the MATF that focuses on a particular sector of the aviation industry, namely aircraft maintenance. On the other hand, we note that there is no apprenticeship programme relating to a particular sector of the aviation industry in the market. The HKIAA, since its establishment in 2016, provides different levels of professional training to meet the existing and future manpower needs of the aviation industry with a view to attracting new blood and support the industry's overall development. Noting that the shortage of manpower are skewed towards the technical and manual jobs and that the industry eyes on attracting the graduates of the Hong Kong Diploma of Secondary Education Examination as new blood to the aviation industry, the HKIAA may explore introducing new apprenticeship programmes that integrate structured classroom learning to deliver core airport operational knowledge and skills with on-the-job training in one of the airport operations sectors. We have invited the HKIAA to actively develop the programmes that would cater for the needs of the aviation industry and work with the Government to come up with a support scheme under the MATF.

21. With the injection of \$200 million to MATF, the Secretariat could also strengthen the promotion initiatives to publicise the aviation and maritime industries in collaboration with the respective industry organisations. More promotional activities including visits, exhibitions, engagement programmes, publications, etc. could be arranged.

FINANCIAL IMPLICATIONS

22. The proposed injection of \$200 million⁵ is projected to be adequate to sustain the continued operation of the MATF for a further period of six years, i.e. until 2024-25⁶, upon depletion of the existing funding within 2019-20. With reference to the latest expenditure pattern of the MATF and taking account of the estimated expenditure for possible enhancement measures, the indicative cash flow requirements for the MATF are tabulated below –

⁵ Of the \$200 million proposed injection, it is projected that around \$10 million will be used to support the various promotion initiatives, while the remaining amount will be used to subsidise the new initiatives and enhancement measures of existing MATF programmes of the maritime and aviation industries.

⁶ The actual cash flow may vary depending on the number and amount of funding applications approved under different schemes, and whether there would be any new schemes in the future.

Financial Year	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Total
Cash flow requirements (\$ million)	29.5	39.7	39.7	39.7	39.7	39.7	228*

**Together with the estimated unspent balance of around \$28 million by 2018-19, the injection of \$200 million will cover the projected cash flow requirements of MATF from 2019-20 to 2024-25 in a total amount of \$228 million.*

WAY FORWARD

23. Subject to Members' views, we will seek funding for the proposal from the Legislative Council according to established mechanism. The MATF Secretariat will also continue to work closely with the MDC and Tripartite Taskforce to devise the enhancement measures and new initiatives under MATF so as to further benefit the maritime and aviation industries.

ADVICE SOUGHT

24. Members are invited to note the latest progress of MATF and comment on the proposed funding injection to the Fund as set out in the paper.

Transport and Housing Bureau
January 2019

**Details and Implementation Progress
of 14 Existing Maritime and Aviation Training Fund (MATF) Schemes**

Objectives, scope and modus operandi, the implementation progress of each funding scheme as well as enhancement measures made in individual scheme are summarised in the ensuing paragraphs.

(a) **Sea-going Training Incentive Scheme (SGTIS)**

2. SGTIS was launched in 2004 to entice more local young people to take up sea-going training and to become qualified to fill a wide range of marine and shore-based positions in the maritime and shipping industry. The Scheme, which came under MATF since April 2014, offers a monthly subsidy of \$6,000 to deck cadets on ocean-going vessels (OGVs) for a maximum period of 18 months (or engine room cadets for a maximum period of 12 months). A total of 231 cadets have received subsidy under the Scheme since 2014 when MATF was introduced, involving a total funding of \$7.59 million.

3. Over the years, we have received feedbacks from industry stakeholders and beneficiaries of the Scheme on the financial difficulties faced by the cadets¹ while preparing for professional examinations upon their return from 18-month sea-going training. To strengthen support for OGVs deck cadet and engineering cadet beneficiaries under the Scheme, the Manpower Development Committee (MDC) has agreed to introduce a special monthly financial subsidy to these cadets. The special subsidy covers two parts, including a monthly subsidy of \$3,000 during the period while the applicants are preparing for the professional examinations ashore after their completion of cadetship for up to six months, and a monthly subsidy of \$6,000 during the period when they return to OGVs after having acquired the required professional qualification but are yet to be promoted to officer rank for a maximum of six months (whichever is shorter). The new arrangement would be launched soon in early 2019 to encourage more young people to join and pursue the seafaring career.

(b) **Local Vessel Trade Training Incentive Scheme (LVTTIS)**

4. The Scheme was introduced in 2014 to attract more young people to join the local vessel trade. Through the provision of an allowance of up to \$30,000 per person to those who are newly employed by the local vessel trade, the Scheme aims to provide incentive to them to acquire their first professional

¹ According to the industry, some cadets indicated that they indeed would change career permanently to earn a living upon return from the 18-month sea-going training.

qualification as coxswains or engine room operators on local vessels. To encourage local vessel employees to stay on the job until acquiring the Grade 3 Local Certificate of Competency (CoC) in a year's time, \$12,000 of the \$30,000 is set aside for claiming by the employees upon their passage of the relevant CoC examinations for Coxswain/Engine Operator. As at end-November 2018, 135 applications for the allowance, involving \$2.59 million, have been approved under the Scheme.

(c) Hong Kong Nautical and Maritime Scholarship Scheme

5. To encourage more students with good academic results to enroll in the International Shipping and Transport Logistics (ISTL) Undergraduate Programme of the Polytechnic University of Hong Kong (PolyU)² and to attract university graduates to consider a seafaring career, the Government rolled out the Scholarship Scheme in September 2017 under MATF. It consists of two prongs, namely the “Seafaring Scholarship” which encourages students to enroll in nautical courses to pursue a seafaring career, and the “Maritime Scholarship” which attracts students with good results in the Hong Kong Diploma of Secondary Education Examination to enroll in the ISTL Undergraduate Programme. Recipients of “Maritime Scholarship” have to undertake to work full-time in the maritime industry for at least one year after graduation, whereas “Seafaring Scholarship” recipients have to work on board OGVs for 18 months upon graduation. The Scheme aims to help build a local pool of seafarers and maritime professionals, in particular degree-holding talents, for the maritime industry. So far, three students (two for seafaring and one for maritime scholarship) were awarded the scholarships during the first year of implementation of the new Scheme, involving a total funding of around \$0.16 million.

(d) Ship Repair Training Incentive Scheme (SRTIS)

6. SRTIS was first introduced in 2006 and later came under MATF in April 2014. With an objective to attract new blood to join the ship repair industry, the Scheme originally offered a monthly subsidy of \$1,500 for a maximum period of 36 months to eligible graduates of the Vocational Training Council (VTC) who have enrolled for apprenticeship in the ship repair industry. Having considered the feedback on the scheme that greater incentive was required to effectively attract people to join the sector given the relatively strenuous working conditions and physically demanding nature of the ship repair industry, with the endorsement of MDC, the monthly subsidy was adjusted upwards from \$1,500 to \$3,000 per apprentice with effect from 1 April 2018. Since the launch of

² Currently, ISTL Programme of PolyU is the only undergraduate programme in Hong Kong providing training in international shipping and logistics.

MATF in 2014, a total of 38 persons had benefitted from the Scheme, among whom 13 were new applicants who joined the Scheme after the introduction of the enhanced subsidy level in April 2018. The total amount of subsidy granted under this Scheme is about \$1.54 million³.

(e) The University of Hong Kong (HKU) – Dalian Maritime University (DMU) Academic Collaboration Scheme

7. Implemented since 2008 with a view to nurturing more professionals well-versed in the Hong Kong and Mainland legal systems as well as the specialised field of maritime law, the Scheme provides scholarship to selected students of DMU to undertake the Master of Common Law course at the HKU. Scholarship recipients have to undertake to work in a maritime-related field in Hong Kong for at least one year upon successful completion of the programme. As at end-November 2018, a total of 21 DMU students have received scholarships from MATF under the Scheme.

8. Separately, in-service practitioners in the maritime law field in Hong Kong as well as law students of HKU may also apply for sponsorship to undertake summer programmes at DMU and professional seminars at HKU. Since the launch of MATF in 2014, over 230 students and in-service practitioners have participated in these programmes and seminars. A total funding of about \$3.88 million has been expended for the Scheme.

(f) Hong Kong Maritime and Logistics Scholarship Scheme

9. To attract local, Mainland and overseas talents to undertake maritime studies in Hong Kong who might stay and serve the Hong Kong maritime sector, the Government launched the Hong Kong Maritime and Logistics Scholarship Scheme in 2007 to provide scholarships to selected local or overseas students to study the Master of Science in the ISTL programme of the PolyU. Scholarship recipients have to undertake to work in the maritime-related field in Hong Kong for at least one year upon successful completion of the programme. As at end-November 2018, 50 students have been awarded the scholarships with total funding of \$8.84 million.

³ Since there was still outstanding balance of the grant first approved for the SRTIS when it came under MATF in April 2014, the Scheme is still deploying the balance of its previous grants.

(g) Hong Kong Maritime Law Scholarship Scheme

10. To help building a pool of maritime law professionals for the Hong Kong maritime sector, the Government launched the Scheme in 2010 to provide scholarships to selected students of the Master of Laws (Maritime and Transportation Law) programme of the City University of Hong Kong (CityU). Similar to (f) above, scholarship recipients have to undertake to work in a maritime-related organisation in Hong Kong for at least one year after graduation. As at end-November 2018, 19 students have received scholarships involving \$0.56 million.

(h) Overseas Exchange Sponsorship Scheme

11. To provide students with the opportunity to learn more about the maritime industry so as to attract them to join the maritime sector upon graduation, the Government launched the Scheme in 2015 to provide financial support to undergraduate (\$30,000) or postgraduate (\$50,000) students of selected maritime-related disciplines in PolyU, CityU, the Chinese University of Hong Kong (CUHK) and the Hong Kong University of Science and Technology to attend one semester of credit-bearing maritime-related overseas exchange courses. As at end-November 2018, over 50 students have received sponsorships of a total amount of \$1.56 million under the Scheme.

(i) Maritime Law Scholarship Scheme

12. The Scheme was launched in 2017 to provide scholarships to selected students of the Bachelor of Laws Programme of the HKU who undertake designated maritime law modules. Since this is a new scheme rolled out in the 2017/18 academic year, HKU has yet to award the scholarship due to the limited applications received⁴. The University has been enhancing promotion of the Scheme to attract more local law students at HKU to apply for the scholarship.

(j) HKU–Shanghai Maritime University Academic Collaboration Scheme

13. The Collaboration Scheme was launched in 2017 between HKU and SMU having regard to the good response of the collaboration with DMU. Under the Scheme, scholarships are provided to selected students of SMU who undertake the Master of Common Law course at the HKU. Scholarship recipients have to undertake to work in a maritime-related field in Hong Kong for at least

⁴ According to HKU, one of the major reasons of the small number of applications received was that local law students have already decided their field of interest when the scholarship scheme was rolled out in 2017/18. It would probably take some time for students to gain interests in maritime law sector and learn more about its career prospects during the course of study of the law degree programme.

one year upon successful completion of the programme. As at end-November 2018, 6 students have been awarded the scholarships amounting to \$1.1 million.

(k) Partial Tuition Refund Scheme for the Specialised Aircraft Maintenance Programme

14. Launched in 2014, the Scheme aims to encourage young people to choose specialised aircraft maintenance programmes and join the aircraft maintenance industry after graduation. Eligible applicants undertaking the Higher Diploma in Aircraft Maintenance Engineering or Diploma in Vocational Education (Aircraft Maintenance) offered by the VTC and joining the aircraft maintenance industry after graduation are refunded with 50% of the total tuition fee, subject to a cap of \$30,000. As at end-November 2018, over 190 applicants have successfully applied partial tuition refund totaling about \$2.64 million under the Scheme.

(l) Hong Kong Aviation Scholarship Scheme

15. To encourage the continuing professional enhancement of the aviation sector, the Scholarship Scheme which has been introduced since 2015 aims to provide scholarships, capped at \$100,000, to selected students who complete aviation-related degree or higher degree programmes. In the past three years, a total of six master and bachelor programmes were eligible under the scheme. As at end-November 2018, 24 students were awarded the scholarship totaling \$2.3 million. In the 2018/19 academic year, four more programmes are further included under the Scheme.

(m) Professional Training and Examination Refund Scheme (ProTERS)

16. Launched in 2014, the ProTERS aims to encourage practitioners in both maritime and aviation sectors to pursue continuous career development through taking training courses and obtaining professional qualifications. Currently over 240 approved courses or examinations are included in the two lists of pre-approved maritime- and aviation-related courses/examinations under the ProTERS. Course providers and examination authorities can apply for inclusion of courses/examinations into the pre-approved lists, subject to the endorsement of the Steering Group on Maritime Services Manpower under the MDC and the Tripartite Taskforce on Manpower Training (Aviation). There are prescribed criteria to determine eligible courses or examinations to be included under ProTERS.

17. Successful applicants are refunded 80% of the fees after satisfactory completion of an approved course or passing an approved professional

examination. Each individual may apply for fee reimbursement for courses and examinations taken subject to a cap of \$18,000 per applicant. As at end-November 2018, the ProTERS has disbursed about \$9.04 million to over 3 700 applicants.

(n) Maritime and Aviation Internship Scheme (MAIS)

18. To provide early exposure for the students and young people in Hong Kong to the wide spectrum of career opportunities in the maritime and aviation sectors, MAIS provides internship opportunities for students to encourage them to pursue careers in the maritime and aviation industries after graduation. Through the tripartite collaboration among the Government, industries and academic institutions, MATF will cover up to 75% of the intern's monthly honorarium or \$6,000, whichever is lower, for an internship period of up to three months. Having considered the feedback of the aviation industry, the eligibility of the Scheme was further extended from tertiary students to secondary six school-leavers on the aviation side since 2017. Besides, the list of institutions joining the Scheme was also expanded to cover self-financing institutions on top of University Grants Committee-funded institutions and VTC since 2015.

19. Since the launch of Scheme in 2014, over 1 900 students have participated in the Scheme and worked as interns in some 90 companies in the two industries with a total expenditure of about \$15.75 million (as of end-November 2018).