



中華人民共和國香港特別行政區

Hong Kong Special Administrative Region of the People's Republic of China

立法會議員易志明 金紫荊星章, 太平紳士

Hon. Frankie Yick Chi-Ming, Legislative Councillor GBS, JP



October 30th, 2025

Competition Commission
19/F, South Island Place,
8 Wong Chuk Hang Road
Wong Chuk Hang
Hong Kong

Attn: Ms Ivanka Lou – Adviser (Advisory & International Affairs)

Dear Ms. Lou,

Re: Case BE/0004: Commencement of Initial Consultation on the Review of the Competition (Block Exemption for Vessel Sharing Agreements) Order 2017

I am writing in response to your Notice of initial consultation regarding the second review of the Competition (Block Exemption for Vessel Sharing Agreement) Order 2017.

The Competition Commission (CC) has issued a Block Exemption Order (BEO) for Vessel Sharing Agreements (VSAs) on August 8th 2017 for a period of five years and have extended the Order for a further four years period. Throughout this period, the BEO is working well. The economic efficiencies and consumer benefits resulting from the VSAs in Hong Kong continue to justify it. The BEO should therefore be renewed.

VSAs ensure more efficient use of shipping and port capacity. It enables the same demand to be served by fewer vessels and with less congestion, leading to a reduction in emissions. Similarly, VSAs support the use of larger vessels, which contribute to more sustainable shipping practices. With the operational arrangements under VSAs, each individual carriers would be able to offer broader service coverage and higher service frequency to their respective customers. Thus, higher level of services could be provided because of the improved connectivity and reduced cost for the carriers in entering new trade routes.

Hong Kong faces intense competition from ports in Chinese Mainland and elsewhere, renewing the BEO would help ensure Hong Kong can continue to compete effectively with rival shipping hubs, such as Singapore, which recently renewed its equivalent block exemption, as well as Chinese Mainland, Japan, Malaysia, South Korea, and Taiwan. We understand that EU and UK have decided not to renew their equivalents of the BEO but the Hong Kong situation is not comparable in my view. The market conditions in Asia are different, with a more dynamic and fragmented market and a large number of smaller players. It is also more common for carriers to cooperate outside the global alliances, meaning VSAs are more important than in Europe.

Moreover, no other jurisdiction currently imposes a market cap for the application of its liner shipping exemption. Given how highly competitive the liner shipping sector in Hong Kong is, HKCC should consider dropping the market share cap in the BEO which would place Hong Kong on a level playing field with its competing neighbouring ports.

As Hong Kong is aiming to become a leading global shipping and logistics centre, it would be necessary to have another further extension of the BEO given the enormous economic benefits to the trading community we have seen in the past years and the renewal is crucial to ensuring the competitiveness of the Hong Kong as an international maritime centre. Having the BEO renewed would be vital for the HKSAR government's policy objective.

Yours sincerely,



Frankie Yick