

THE FEDERATION OF
NATIONAL ASSOCIATIONS OF SHIP
BROKERS AND AGENTS



FONASBA



FONASBA

**ANNUAL
REPORT**

2005/6

*Cover Photograph:
The Meiji Shrine in Tokyo, Japan, host city for the 2005 FONASBA Annual Meeting*

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INTRODUCTION
By the President of FONASBA
Philip J. Wood FICS



Our first FONASBA Annual Report was very well received by members of the association and also our colleagues in other organisations and it therefore gives me great pleasure to write the introduction to our second issue.

As an association we have made significant progress in raising the profile of our professions through direct representation with international bodies such as the European Commission and IMO, through collaboration with projects such as INTERTANKO's Poseidon Challenge and on a local and regional basis through the actions of our members in dialogue with national authorities.

Although the agency and broking sectors still lag well behind the shipowning sector in terms of public recognition, we are continuing to make our voice heard and to convince the authorities that our members play a major part in the smooth flow of international trade and therefore that our views are important and worth due consideration. As professionals we believe that decisions should be made on the basis of detailed study of the facts available and we are therefore prepared to put the considerable volume of knowledge and experience available within our membership at the disposal of authorities and regulators in order that they will be in a position to make informed judgements and decisions. Our application for consultative status with IMO, if approved, will give FONASBA the opportunity to express our views and provide input to relevant deliberations at the highest possible level.

Our knowledge base is also available to our individual members to assist them in negotiations with their own local authorities. An individual association pitting itself against a government department, for example, is at a considerable disadvantage but when it is supported by FONASBA and the other member associations its position is considerably strengthened.

I shall be finishing my term of office during our Annual Meeting in Marrakech in November and my colleague Mario Froio will be writing the introduction in the next issue of our Newsletter. I hope that I will hand FONASBA over to him in better condition than in which I received it — and that not a criticism of my predecessor but the aspiration of all our Presidents, past and future — and I wish him every success in his term as FONASBA's first President from South America.

THE YEAR IN PERSPECTIVE
Jonathan C. Williams, FICS
General Manager



In the twelve months since the last Annual Report was published, FONASBA has continued to grow, to develop as a major industry association and to increase the level of services provided to its members. As last year, more detailed reports on our activities in Europe, currently the powerhouse of maritime legislation, our Annual Meeting in Tokyo and the work undertaken by our member associations are provided in the following pages.

I am pleased to report that FONASBA's membership continues to grow, with Southbond Shipping, an agency company based in Mauritius, joining as an Associate Member at the Annual Meeting in Tokyo and Shipping Australia joining as a Full member in September. We welcome both organisations to our Federation and very much look forward to them both playing an active role in our work in the future.

As mentioned in the "External Relations" section of the 2005 Annual Report, FONASBA has enjoyed a close working relationship with BIMCO for many years and it was therefore very pleasing when BIMCO and FONASBA agreed reciprocal membership in November 2005. We are certain this will bring our two organisations even closer for the benefit of all our members.

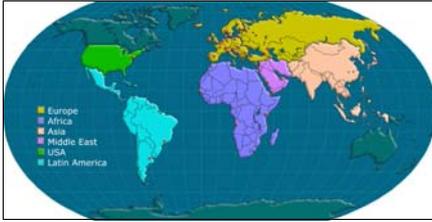
The Annual Meeting in Tokyo was a major success. Officers from the Philippine Ship Agents Association joined the meeting as observers and it is hoped that their active participation in the meeting will lead in due course to an application for membership. We now look forward with interest to a completely different experience as we approach the 2006 Annual Meeting in Marrakech, hosted by APRAM. A number of previous Annual Meetings have been held at inland locations and this one, in the "Red City" in the shadow of the Atlas Mountains, promises to be excellent.

In Europe, ECASBA continues to ensure the views of the membership are taken into account by the European Commission on relevant issues. The relationship was strengthened earlier this year when the Commission played an active part in ECASBA's first European seminar, held in Brussels in June. The seminar was such a success that another is being planned for late May 2007, again in Brussels.

FONASBA has now made formal application to IMO for consultative status and we hope this will be granted in November. If this is granted it will endorse the Federation's position in the top flight of international shipping industry bodies.

During the year covered by this report, FONASBA carried out a survey of members' views on a number of topics, from the programme and structure of the Annual Meeting to the way FONASBA presents itself to the outside world. The Executive Committee has considered these views and some will be implemented in the coming year.

Whatever the coming year brings, however, we look forward to it with enthusiasm and in keen anticipation of further progress by, and within, the Federation.



FONASBA MEMBERSHIP BY COUNTRY (at August 2006)

(E indicates member of ECASBA, A indicates Associate Member,
C indicates Club member and Cand. indicates Candidate Member)

AFRICA

Kenya	The Kenya Ship's Agents Association, MOMBASA
Morocco	APRAM, Casablanca
Senegal (A)	Thocomar Shipping Agency, DAKAR
South Africa	ASABOSA, DURBAN

ASIA

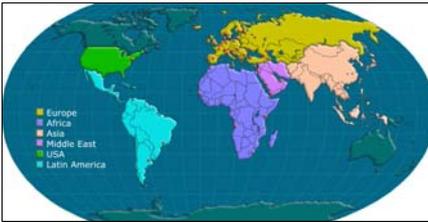
China	Chinese Taiwan Association of Shipping Agents, TAIPEI
Japan	JAFSA, TOKYO
Mauritius (A)	Southbond Shipping Ltd., PORT LOUIS
Vietnam	VISABA, HO CHI MINH CITY

AUSTRALASIA

Australia	Shipping Australia Ltd., SYDNEY
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EUROPE

Belgium (E)	NAVES vzw, ANTWERP
Bulgaria (E)	BASBA, VARNA
Bulgaria (A)	TNS Shipping & Forwarding, BOURGAS
Croatia (E)	The Association of Maritime Agents of Croatia, RIJEKA
Cyprus (E)	The Cyprus Shipping Association, LIMASSOL
Denmark (E)	The Danish Shipbrokers Association, Copenhagen
Denmark (C)	BIMCO, BAGSVAERD
Finland (E)	The Finnish Shipbrokers Association, HELSINKI
France (E)	COFRALI, PARIS
Germany (E)	Zentralverband Deutsche Schiffsmakler e.V, HAMBURG
Great Britain (E)	The Institute of Chartered Shipbrokers, LONDON
Great Britain (C)	The Baltic Exchange, LONDON
Great Britain (C)	ITIC, LONDON
Hungary (E)	The Hungarian Shipbrokers & Shipping Agents Association, BUDAPEST
Iceland (A)	Mrs. T.K. Halldórsdóttir, hdl, REYKJAVIK
Ireland (E)	The Irish Ships Agents Association, COBH
Italy (E)	FEDERAGENTI, ROME
Lithuania (E)	The Lithuanian Shipbrokers & Agents Association, KLAIPEDA
Malta (A)	The Association of Ships Agents, VALETTA



FONASBA MEMBERSHIP BY COUNTRY (at August 2006)

(E indicates member of ECASBA, A indicates Associate Member,
C indicates Club member and Cand. indicates Candidate Member)

EUROPE, contd..

Montenegro (A)	JADROAGENT, BAR
Netherlands (E)	ORAM, AMSTERDAM, VRC, ROTTERDAM
Norway (E)	The Norwegian Shipbrokers Association, OSLO
Norway (C)	INTERTANKO, OSLO
Poland (E)	The Polish Shipbrokers Association, GDYNIA
Portugal (E)	AGEPOR, LISBON
Romania (E)	Asociatia Agentilor Si Brokerilor de Nave di Romania, CONSTANTA
Russia	ARMA, MOSCOW Association of St. Petersburg Shipping Agencies, ST. PETERSBURG
Slovenia (E)	The Slovenian Ship & Freight Agents Association, KOPER
Spain (E)	ANESCO, MADRID
Sweden (E)	The Swedish Shipbrokers Association, GOTHENBURG
Sweden (C)	The Shipbrokers Register, LANDSKRONA
Turkey	Istanbul & Marmara, Aegean, Mediterranean, Black Sea Regions Chamber of Shipping, ISTANBUL
Ukraine (A)	INFLOT, ODESSA

MIDDLE EAST

Dubai	The Dubai Shipping Agents Association, DUBAI
Israel	The Chamber of Shipping of Israel, HAIFA
Yemen (A)	Middle East Shipping Co. Ltd. HODDEIDAH

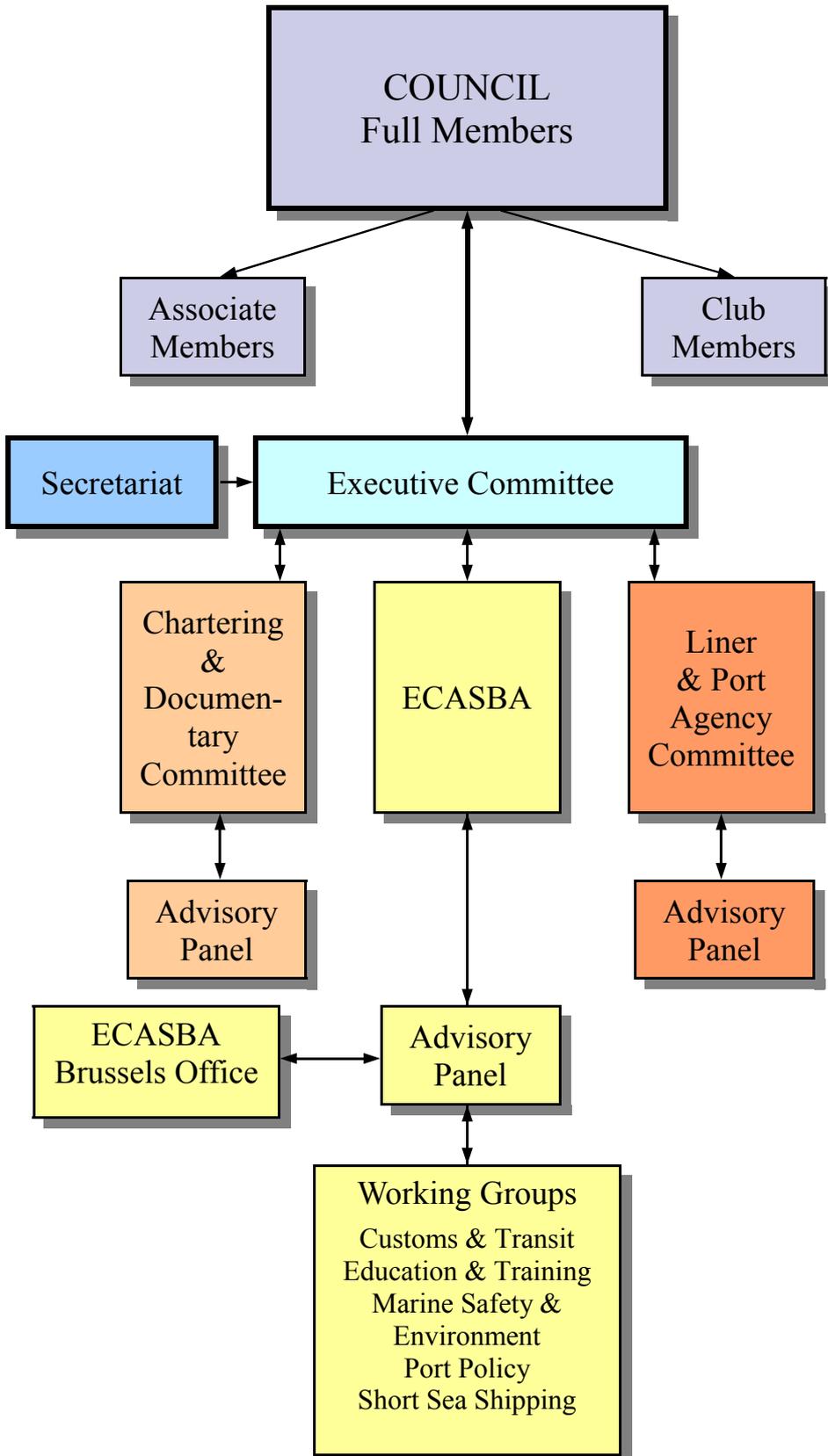
SOUTH AMERICA

Argentina	Centro de Navegación, BUENOS AIRES
Brazil	FENAMAR, SANTOS
Uruguay (Cand.)	Centro de Navegación, MONTEVIDEO

NORTH AMERICA

Mexico	AMANAC, MEXICO CITY
USA	The Association of Ship Brokers & Agents (USA) Inc., ENGLEWOOD CLIFFS

THE STRUCTURE OF FONASBA



FONASBA’s primary decision making body is the Council, which consists of representatives of all the Full Members. Each country represented has one vote, that vote being shared if there is more than one association in a particular country. The Council meets at the Annual Meeting, which is held in October in the country of domicile of a Full Member. Associate and Club Members enjoy all the benefits of Full Membership but they do not have a vote

The Executive Committee is nominated every two years by Council and is responsible to Council for the management of the Federation

Operationally, FONASBA is organised into three committees, each covering a specific sector of the agency and broking industry.

Each committee is supported by an Advisory Panel comprised of senior people with direct and relevant experience of the issues covered by the Committee.

The ECASBA Advisory Panel is further supported by an office in Brussels and a number of Working Groups which bring additional expertise and knowledge to assist the Panel Members.

The London based Secretariat is responsible for all aspects of the administration of FONASBA. Further support and input on European issues is provided by a representative office in Brussels.

THE FONASBA EXECUTIVE COMMITTEE 2004/6**PRESIDENT**

Philip J. Wood FICS, Great Britain

EXECUTIVE VICE-PRESIDENT

Chris P. Papavassiliou, Cyprus

PRESIDENT DESIGNATE

Mario J.L. Froio, Brazil

IMMEDIATE PAST PRESIDENT

Umberto Masucci, Italy

VICE PRESIDENTS

Africa: Aziz Mantrach, Morocco

Americas: Patricio Campbell, Argentina

Asia: Takazo Iigaki, Japan

Europe: Charles Génibrel, France

COMMITTEE CHAIRMEN

Chartering & Documentary: Grete C. Noer, Norway

ECASBA: Gunnar J. Heinonen, Finland

Liner & Port Agency: John A. Good FICS, Great Britain

COMMITTEE VICE-CHAIRMEN

Chartering & Documentary: Paul G.D. Smith FICS, Great Britain

ECASBA: Klaus Bültjer, Germany

Liner & Port Agency: Menno S.B. Duin, The Netherlands

The President is elected by Council to serve a two year term. Members of the Executive Committee also serve for a two year period but may be re-elected if the Council so wishes.

THE FONASBA CODE OF CONDUCT

Since its establishment in 1969, FONASBA has required its members to maintain the highest standards of professionalism and integrity through compliance with its Code of Conduct, as follows:

PREAMBLE

WHEREAS

1. FONASBA has as one of its primary objectives the promotion among its members of a fair and equitable practice of the professions of ship broker and agent,
2. FONASBA is urging all national associations to achieve and maintain the highest professional standards, encourages any association wishing to do so to avail itself of the possibility of seeking official approval of its government,
3. FONASBA has for that purpose laid down the following Code of Conduct:

GENERAL

Members will at all times:

1. act in accordance with all national laws and other regulations of the countries in which they operate,
2. adhere strictly to the principles of honesty and integrity,
3. operate in a sound and honourable financial manner,
4. ensure that all the principal's business being handled is dealt with in confidence,
5. co-operate with and contribute to the efforts of the appropriate authorities to combat maritime fraud,
6. agree to complete wherever possible memoranda of understanding (M.O.U.) with national customs and other appropriate authorities, so as to assist in the halting of illegal trade in banned drugs.

STAFF PROFESSIONAL QUALIFICATIONS SHIPS' AGENTS AND SHIPBROKERS

Members will:

1. employ experienced professionally qualified staff to cover all aspects of the business being undertaken, so as to ensure the proper performance of all the functions of ship agent and shipbroker,
2. encourage such staff to improve its professional capacity qualifications by assisting it to study and pass examinations based on the syllabi of recognised international shipping authorities/educational institutions.

PROFESSIONAL CONDUCT SHIPS' AGENTS AND SHIPBROKERS

Members will:

1. ensure that all activities are carried out honestly within the highest standards of professional integrity,
2. by proper management control, create and maintain a high standard of confidence that all duties will be performed in a conscientious and diligent manner,
3. observe all national and international laws and any local regulations appertaining to the shipping industry,
4. operate from a permanent address with all the necessary facilities and equipment to conduct business in an efficient and timely manner,
5. take great care to avoid any misrepresentation and ensure that all activities are subject to the principles of honesty and fair dealing,

THE FONASBA CODE OF CONDUCT contd./...

6. ensure that for all dealings, the necessary authority is held from the proper party and that no action will be taken which knowingly exceeds that authority,
7. ensure that brokers, acting for an owner, shall only offer firm a vessel for any one cargo at any one time,
8. ensure that charterers' brokers will only make firm bids of a cargo or cargoes to one vessel or one shipowners' broker at any one time,
9. ensure that a vessel or cargo will not, in any circumstance, be quoted unless duly authorised by a principal,
10. ensure that all business enquiries are bona fide by making all reasonable enquiries before placing them on the market.

CORPORATE RESPONSIBILITY

Members will encourage key personnel to:

1. develop strong professional relationships with all customers and principals,
2. accept responsibility and accountability,
3. ensure a good and safe working environment for all concerned,
4. establish a stable business environment to ensure that all costs are economically based and provide a reliable service to clients.

FINANCIAL STABILITY

Members will:

1. recognise the prime importance of protecting and safeguarding all principal's funds and take all reasonable steps necessary to achieve this objective,
2. have adequate financial means to perform the company's activity,
3. arrange a detailed annual audit by established and qualified accountants,
4. undertake to maintain all accounts in accordance with the legal requirements within the jurisdiction of their appropriate legal authorities,
5. maintain adequate liability insurance cover in respect of errors and omissions with an internationally recognised mutual club or insurance company.

DISCIPLINE

Each national association will:

1. recommend to its members, unless such is in conflict with any official regulation, the desirability of accepting self-regulatory control by agreeing to adhere to FONASBA's Code of Conduct,
2. have its own established disciplinary procedures to investigate breaches of the Code and to take such measures as may be necessary against offenders.

FONASBA STANDARD DOCUMENTS

As part of its service to the wider agency and broking community, FONASBA has developed a series of standard documents, the purpose of which is to provide information and guidance on relevant issues. A list of the current Standard Documents is provided below.

The Agency Agreement documents can be used in their entirety or as the basis for in-house agency contracts in the liner trades and the Standard Port Agency Conditions acts as a checklist for the establishment of a contractual arrangement between an agent and a principal in the tramp trades. The various clauses and codes are provided as a guide to the interpretation of various charterparty clauses and to clarify certain potentially contentious issues.

Those documents are provided free of charge and those marked with **D** are available for download from the FONASBA website, www.fonasba.com. For those not available for download, please contact the FONASBA secretariat.

FONASBA Standard Liner & General Agency Agreement — approved by BIMCO **D**
A combined document for the establishment of a liner and general agency agreement

FONASBA Standard Liner/FONASBA General Agency Agreements — approved by BIMCO **D**
Separate documents for the establishment of a liner agency agreement (principal and specific agent) or a general agency agreement (principal and general agent). Both now combined into the SL&GAA above.

FONASBA Standard Port Agency Conditions — **D**
A concise guide to the rights, responsibilities and liabilities of the owner and agent in a tramp agency agreement.

FONASBA Sub-details Clause — approved by BIMCO **D**
Clauses for insertion in firm offers or bids made at the time of the charter negotiations

FONASBA Time Charter Interpretation Code 2000 — **D**
A code to assist in the interpretation of existing time charterparty clauses, and to assist in dispute resolution.

FONASBA Sub-Agency Agreement — approved by BIMCO **D**
A standard document for the appointment of a sub-agent.

FONASBA International Brokers Commission Contract — recommended by BIMCO **D**
A standard form of agreement between the shipbroker and the shipowner for payment of commission.

FONASBA/ITIC ISPS Code Clause — **D**
A clause setting out the limits of an agent's liability for the forwarding of ISPS Code compliance information between the vessel and the relevant shore authorities. Developed in conjunction with ITIC.

***CHANGING COURSE—A NEW
BEGINNING FOR MARITIME
POLICY IN EUROPE***

***Gunnar J. Heinonen,
ECASBA Chairman***



The election of the new European Commission under President Jose Manuel Barroso in November 2004 began a gradual process of opening up the organisation to a more cooperative relationship with ECASBA and other consultative groups.

So far as the maritime sector is concerned, the new spirit of openness became most apparent after the collapse of the 2nd Port Package in November 2005. With this extremely contentious piece of legislation having been voted down in the European Parliament by a sizeable majority, the Commission began to actively seek industry input to any new proposals at a very early stage. ECASBA, along with the other European industry organisations, very much welcomed this change in approach.

Taking advantage of this new spirit of cooperation, ECASBA has increased its direct contacts with the relevant Directorates General and now has excellent relationships with both DG-TREN and DG-TAXUD and, additionally, with the offices of Transport Commissioner (and Commission Vice-President) Jacques Barrot and Fisheries Commissioner Joe Borg, who is responsible for the EU Maritime Policy Initiative. These relationships were further cemented as a result of the excellent and very welcome Commission participation during ECASBA's inaugural European seminar in June 2006, of which more below.

With the ports services directive exercise terminated for the time being, the void left by its passing was quickly filled by accelerating other existing proposals and a number of new initiatives. ECASBA has maintained a close watch on the work programmes of both DG-TREN and DG-TAXUD and has exchanged views with the appropriate Commission Units on those subjects relevant to our members.

Short Sea Shipping remains one of the central planks of the Commission's programme and ECASBA continues to support the increased use of this important transport resource. Further progress has been made over the past twelve months with more and more services being established but many long-standing obstacles – "bottlenecks" in EU parlance – remain.

In November 2005, ECASBA responded to the Commission's Mid-Term Review of the Transport White Paper and earlier this year to that on the Promotion of Short Sea Shipping. ECASBA's response to the latter called for more secure, possibly central, funding for the promotion centres, urgent action to clear the remaining bottlenecks and an extension of the reduced Customs requirements presently available to regular services – the so-called "authorised shipping services" – to all short sea traffic, much of which is undertaken on separate contracts as and when required. ECASBA has also asked the Commission to produce two lists of bottlenecks, one for those for which the Commission has responsibility, and those mentioned in the previous paragraph that require action by member states. Allowing bottlenecks in this second category to be removed from the list means they will also fall from public view, with the possibility that little or no action is taken to resolve them. By keeping all bottlenecks in the public domain, ECASBA hopes that pressure to resolve them will be maintained.

The Commission also launched a series of consultations with the industry on the shape of future of European logistics and intermodal services, which the Commission sees as being vital to the future economic

***CHANGING COURSE—A NEW BEGINNING FOR MARITIME POLICY IN EUROPE
contd./...***

well being of the Community. With many of companies represented within member associations engaged in providing logistics services, ECASBA has participated in both the written consultations and also the workshop held in Brussels in April.

ECASBA joined with other industry organisations in warning the Commission of the dangers of forcing the pace on the increased use of integrated intermodal solutions, saying that of its own volition the industry does, and would continue, to use the best possible combination of modes of freight transport available at the time. ECASBA has also expressed its opposition to the development of a European multimodal liability regime, arguing that international action, and in particular the UNCTAD initiative now in its closing stages, is the appropriate way forward.

The Commission consultation also noted an urgent need for the provision of up to date industry-based logistics training and education programmes and in this regard ECASBA is in discussion with its UK member, the Institute of Chartered Shipbrokers, to develop a European diploma based on the ICS Logistics and Multimodal Transport course.

The Commission has a role to play in the drive to increase efficiency in European ports but in a welcome change from past attitudes it is currently engaged in a yearlong consultation with industry aimed at developing a policy that is appropriate, necessary and above all relevant to the port industry as it currently functions. Such is the change in attitude by the Commission that it now concedes there are areas where no central action is required. ECASBA is engaged in direct discussions with the Commission and also participates in the MIF Transport Working Group meetings, which aim to develop a consistent industry view on what is required — or equally what is not.

ECASBA continues to exchange views with DG-TREN on the on-going review of the Ship-Generated Waste Disposal Directive, the NAIADES Project to promote freight transport on inland waterways and intermodal security.

Over the past year ECASBA has initiated direct contact with DG-TAXUD and this has proved to be extremely beneficial. Through contacts with the heads of Unit responsible for customs policy, procedures and security issues, ECASBA is now regularly consulted on issues such as the proposed 24-hour Advance Cargo Declaration rule and the on-going revision of the Community Customs Code.

ECASBA's first European seminar was a major success, with delegates from sixteen member associations spending two days in detailed discussion with senior Commission representatives on all the issues reported above, with additional presentations by the Secretaries General of ECSA, the European Community Shipowners Association, and ESPO, the European Sea Ports Organisation. As well as giving member associations the opportunity to meet and exchange views with the Commission, the seminar also allowed ECASBA to demonstrate to the Commission the depth of interest for European affairs within its membership. That the Commission values its relationship with ECASBA was amply illustrated by the attendance of Commissioner Barrot at dinner on the first day.

Building on the success of the first seminar, ECASBA will be repeating the event in late May 2007.

FONASBA ANNUAL MEETING 2005

The 37th Annual Meeting of FONASBA was held in Tokyo during the week beginning Monday October 19th 2005 and 58 delegates and 32 partners attended. This year the meeting was very pleased to welcome four representatives of the Philippine Ship Agents Association as observers.

Even before the meeting began, delegates were forcibly reminded of where they were when an earthquake of medium magnitude struck Tokyo on the Sunday afternoon. For those delegates from more geologically stable regions this was a novel experience enhanced, in many cases, by being in excess of 15 storeys above ground level.

Eventually the building, and the delegates, stopped shaking and the meeting began in earnest.

As is traditional, the first Plenary Meeting was that of ECASBA. As in previous years the presentation on European maritime developments by Diego Teurelinx, ECASBA's Brussels representative, formed the core of the meeting and this was followed by detailed discussion on a number of topics, including a review of the responses to the survey carried out by ECASBA members into the practical application of the Commission's Directive on disposal of ship-generated waste. ECASBA members in 13 member states had provided information which comprehensively proved that the original intention of the Directive, to encourage the regular disposal of shipboard waste through the establishment of a standard fee payable at all ports – irrespective of whether the vessel discharged waste or not, had not materialised. Significant variations in the level of the standard charge, between ports and across the Community, and of the quantity and type of waste it covered, were revealed by the survey. ECASBA passed the findings of its survey on to the European Maritime Safety Agency, which commissioned the survey, and also to the Commission itself.

The meeting also discussed the proposal for a multi-sector European Maritime Policy, the Port Services Directive and the full spectrum of issues relating to short sea shipping, including the re-launched bottlenecks exercise, aimed at identifying and ultimately eliminating procedures and practices that prevent the efficient use of short sea shipping around Europe.

Anticipating the contents of the 3rd Maritime Package, due for publication in November 2005, the meeting affirmed its opposition to the proposal that agents should be required to notify regulatory authorities of suspected vessel deficiencies. (*Subsequently this proposal did not appear in the Package*).

The meeting also discussed the Commission's "Authorised Economic Operator" proposals and how this would link in with the issue of intermodal security. ECASBA members fully supported the "known party" concept, by which a supply chain would be considered secure if all the parties in the chain were security cleared by the appropriate authorities. The perennial issues of short sea shipping and the port services directive were also discussed in some detail.

The Plenary Meeting of the Chartering & Documentary Committee started with reports from the dry cargo, tanker and Japanese markets.

These were followed by detailed discussions, led by Committee Vice-Chairman Paul Smith, on the subject of time bars for demurrage claims in the tanker trades. Mr. Smith reminded delegates that a failure to comply with this rule could result in the broker being held liable by the principal for demurrage due.

During the summary of broking clauses and documents under revision, the meeting discussed the revised BIMCO ISPS clauses, which now included reference to the US Marine Transport Safety Act. It was agreed that these clauses were now more balanced than when originally written, previous versions having been

FONASBA ANNUAL MEETING 2005 contd./...

seen as biased towards shipowners. The meeting was also given summaries of actions undertaken in the past year by the documentary committees of BIMCO and INTERTANKO.

The final Plenary Meeting during this meeting was that of the Liner & Port Agency Committee. To a significant extent this was dominated by a discussion on the need to gain wider recognition of the value of the ship agent to the efficient operation of the global transport chain. An article setting out the evidence for the agency industry not being given credit where it was due had appeared earlier in the year in "Fairplay International" magazine and this generated a wide-ranging debate on the subject. Delegates agreed that in an industry whose public profile, accidents aside, was extremely low, that of the agent was almost non-existent. It was therefore agreed that FONASBA should increase its efforts to bring to the attention of shipowners, charterers and others responsible for the appointment of agents, the vital role the responsibilities of the agent towards his principal before, during and after a port call and the consequences – particularly in terms of financial impact and loss of time – of an agent's failure to provide a professional service. It was therefore agreed that FONASBA would endeavour to meet with international organisations representing principals in order to raise this issue.

It was also proposed that FONASBA consider developing an internationally recognised standard for agents, as a means of assigning a quality label to those agency companies that met with agreed standards of operation.

The business side of the meeting concluded with the Council Meeting. In addition to setting FONASBA policy for the coming year, Council also approved an application for Associate Membership from Southbond Shipping in Mauritius and also awarded the venue for the 2007 Annual Meeting to Centro de Navegacion in Argentina, against strong bids from members in Croatia and Israel.

FONASBA's MABSA and CIANAM Range Committees, representing respectively members in the Mediterranean and Black Sea region and the Americas, also met and a second meeting for association secretaries was also held.

Following from a request for members for an on-going seminar programme, delegates were entertained to an excellent presentation from Professor Sozoh Yokoyama on the culture and history of Japan.

The social side of the meeting was not forgotten and a full programme of visits and tours was provided for delegates and partners. Particularly noteworthy was the performance by a group playing "O-Edo Sukeroku-Taiko" drums although the reception that followed was momentarily interrupted by another earthquake !

The 2006 Annual Meeting will be held in Marrakech, Morocco during the period 31st October – 3rd November, hosted by APRAM of Casablanca.

EXTERNAL RELATIONS: COOPERATION WITH OTHER INDUSTRY BODIES

FONASBA values its collaboration with other organisations in the pursuit of common aims and therefore maintains close working relationships with other industry bodies on an international and regional basis.

FONASBA's long-standing cooperative relationship with BIMCO was enhanced late last year when both organisations agreed to reciprocal membership status. BIMCO therefore joins The Baltic Exchange, INTERTANKO, ITIC and the Shipbrokers' Register as FONASBA Club Members. BIMCO is currently considering the development of a standard contract to regularize the relationship between, and responsibilities of, a principal and an agent in the tramp trades. FONASBA has therefore offered BIMCO use of its Standard Port Agency Conditions document as a base from which to start work on the development process.

In Singapore earlier this year INTERTANKO launched its "Poseidon Challenge", which is aimed at ensuring that every partner in the movement of cargo by sea is aware of his responsibilities to all the others and discharges those responsibilities in the most professional manner. The meeting in Singapore brought together representatives of all those partners and FONASBA was represented by Philip Wood, the President. As well as committing FONASBA members to the aims of the "Poseidon Challenge", which are to bring about the "three zeros" – zero fatalities, zero pollution and zero detentions – Philip offered the services of FONASBA's world-wide members to assist in providing a comprehensive list of waste reception facilities for tanker vessels. Data is currently being collected and will be presented to INTERTANKO at its Tanker Event in Houston in March 2007.

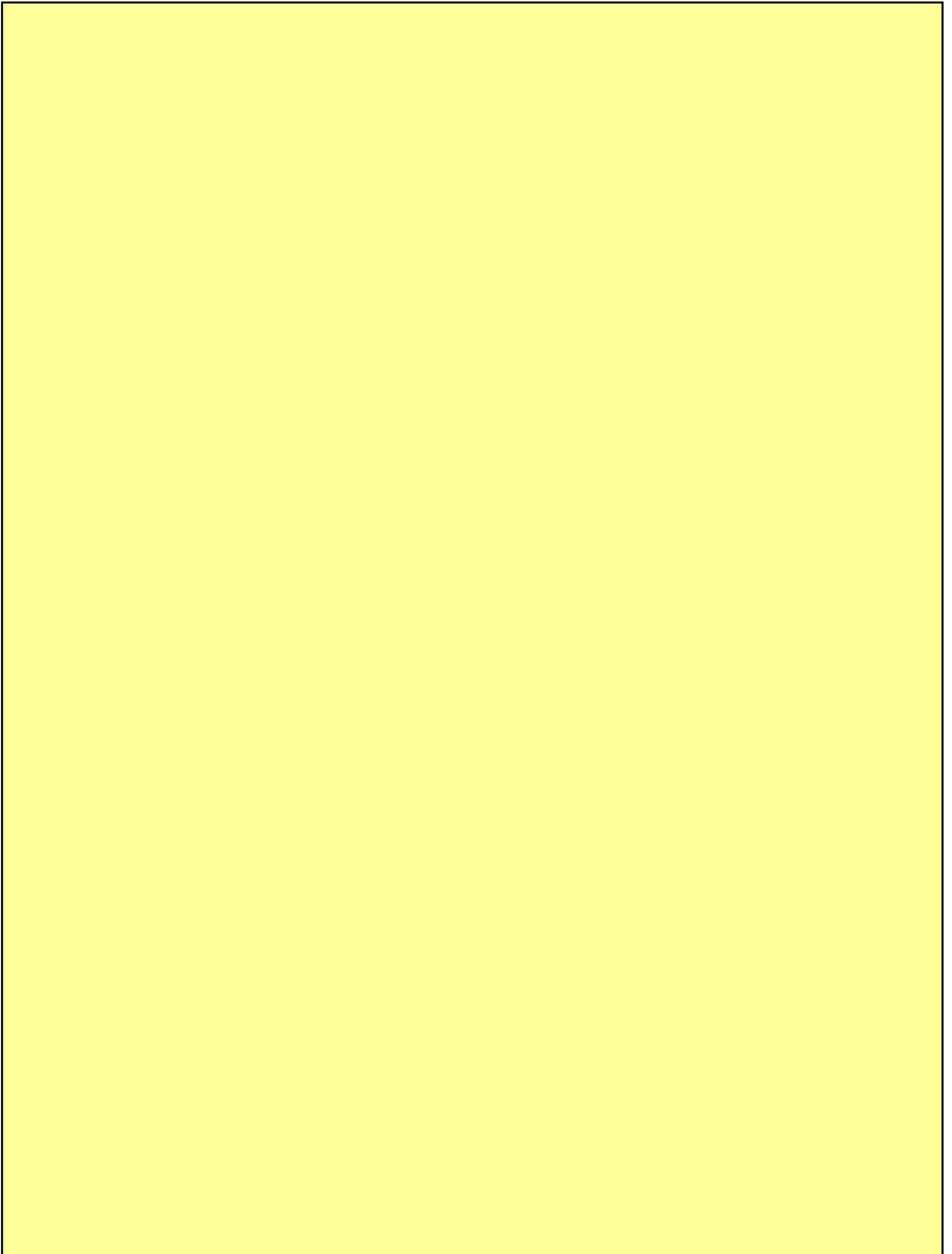
The possibility of disputes arising between agents and in relation to the agent's liability for the provision to shore-based authorities of ISPS Code information led FONASBA to join forces with ITIC in developing a Standard FONASBA ISPS Code clause, which quite clearly limits the agent's liability to the accurate and timely transmission of the information to the correct authority. Agents are not liable for the accuracy of the information provided by the vessel.

In seeking to increase awareness of the effect that ever-decreasing agency fees have on the ability of agents to provide the levels of highly professional service that owners – and increasingly external authorities – demand, FONASBA made a presentation to the Shipping Policy committee of the International Chamber of Shipping. FONASBA has also met with the International Association of Dry Cargo Shipowners, Intercargo, and is working alongside INTERTANKO, which is calling on its members to recognise that agents deserve a fair day's pay for a fair day's work.

Regionally ECASBA continues to enhance its relationships with the European Commission, both directly and through organisations such as the Maritime Industries Forum, the main European industry organisations, ECSA, ESPO, FEPORT and others. CIANAM, the organisation representing ship agents associations in the Americas, continues to promote cooperation between FONASBA members in the region, other associations and the relevant authorities.

COUNTRY REPORTS

The following pages contain reports from FONASBA member associations, covering their activities during the year



Member Association Report — ARGENTINA

Association: *Centro de Navegación*

Membership: 58

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Centro de Navegación

Foreign Trade

Argentina is one of the largest exporters of grains, vegoils and by products with a volume of approximately 100 million tons. Exports reached a new historical record, with an increase of approximately 19 % compared to last year. Manufactured agriculture products account for the largest proportion of Argentina's largest export (32%), followed by the manufactured industrial goods (30%), primary products (21%) and oil and energy (17%).

In regard to containers, Argentina expects to move about 1,400,000 TEU this year.

Port Situation

With almost 4725 Km. of Atlantic coastline, Argentina has a wide variety of ports. The Paraña-Paraguay waterway is also very important, a number of major grain export facilities located along its length.

For information, the following are the major port facilities by commodity:

- Container movement basically located within Buenos Aires and the city.
- Grain and vegoil exports in San Lorenzo, Rosario, Necochea and Bahía Blanca.
- Citrus, San Pedro and Campana.
- Fruits, San Antonio Oeste.
- Frozen fish, in the southern ports.
- Cruise Activities, Buenos Aires, Puerto Madryn and Ushuaia.

Port investment

The Argentine port industry benefits from significant private investments. Recently a number of major trading houses, including Cargill, Dreyfus and Bunge, have invested in new facilities, silos and berths.

TOURISM

This activity has become very important for our country and almost 4.5 million visitors are expected in 2006.

Tourism has grown so much that it now occupies an important position in the Argentine economy due to the constant income of foreign currency.

ASSOCIATION ACTIVITIES

The Centro de Navegación maintains its active participation in the regional chamber CIANAM and Patricio Campbell, our Secretary, holds the position of Vice President for the Americas in FONASBA.

The Education Center held within Centro de Navegación, called "CENTRO DE ESTUDIOS DEL COMERCIO MARITIMO INTERNACIONAL- C.E.C.M.I" completed a second year as an official institution recognized by the Secretary of Education. CECMI grants a 3 year International Shipping Business Degree (Administrador de Transporte Marítimo Internacional) and also grants tailor made courses for several companies. Students receive education from top professionals of the Shipping Industry in Buenos Aires.

Finally, we must mention that in December 2006 our traditional publication, River Plate Shipping Guide, will be issued. The publication is a guide on all aspects of the Shipping Activity in the area, covering logistics, ports and legal matters.

Member Association Report — AUSTRALIA

Association: *Shipping Australia Ltd.*

Membership: 38

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Shipping Australia comprises 38 shipping agent members and we have a similar number of corporate associate members who provide services to the maritime industry. Shipping Australia is a peak industry association as well as providing secretariat services to international shipping lines that are parties to Agreements registered under Part X of the Australian Trade Practices Act which regulates the activities of international liner shipping conferences.

The past year has been a challenging one with the well-known acquisitions of P&O Nedlloyd by Maersk, CP Ships by Hapag Lloyd and Hamburg Sud taking over the Australian trades of Fesco. Both our major stevedores have changed ownership; Tolls having acquired Patrick Stevedores and P&O Ports by DP World. As FONASBA members will be aware, there is a proposal by SvitzerWijismuller to acquire our major towage operator, Adsteam Marine.

We have shared with many other FONASBA members the problems of new maritime security requirements but in Australia there has been the recent introduction of Maritime Security Identification Cards for those requiring unmonitored access to security regulated areas in ports as well as a proposal to introduce a full visa system for foreign seafarers visiting Australia as from 1 July next year. It is proposed that fines be applied if crews arrive without having made an application for such visas after 1 January 2008.

We have had extensive discussions with the Australian Customs Service since the introduction of its new Integrated Cargo System for imports as from October last year and as a result of those representations as well as others, extensive changes have been and are being made to the system to facilitate trade.

We have discussed with the Australian Customs Service the possibility of introducing 24 hour reporting prior to the loading of containers destined for Australia as well as the introduction of the concept of an Authorised Economic Operator in Australia.

There have also been extensive discussions with the Australian Quarantine Inspection Service regarding the proposal to extend the inspection of containers from all countries in the world with Giant African Snails and we have been working with them to reduce the percentage of containers being sent for washing as a result of the external inspection of the outside of imported containers.

There have been many representations made to port corporations over the past year regarding pilotage, towage and other cost increases being levied in those ports and the continuing concern for us is individual States in Australia introducing their own ballast water management arrangements different from the national system.

The Australian Bureau of Transport and Regional Economics recently released a report on future projected growth in Australia's trade with an estimated 4% pa growth in the bulk trade and a 5.4% in the container trade lifting it from the present 5.2 million TEU to over 15 million TEU.

Shipping Australia continues to urge our major container and bulk ports to provide adequate channel depth for the increasing size of vessels and we have been particularly active in advocating the deepening of the main channel in the port of Melbourne which has met considerable resistance from environmentalists. Many of these issues will continue to impose challenges for our members in the foreseeable future.

Member Association Report — BELGIUM

Association: NAVES vzw

Membership: 134

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NAVES is the national federation of the Belgian organizations of shipping agents and brokers. Five organizations, located at the five seaports Antwerp, Zeebruges, Ghent, Ostend-Newport and Brussels represent in total 140 agencies, which means about 90% of the market. An increasing number are liner-owned offices founded by all major container operators. Non-members mainly have to be situated in specific niches. All secretariat services are performed by the Antwerp Shipping Federation with a permanent staff of five.

In the year 2006 Belgian ports will handle about 237 million tons of cargo, of which 165 million tons through the port of Antwerp. Growth in tonnage compared to 2005 is estimated at 5,5%, container volumes will increase with two digit figures, which means above the world market growth. Although the container terminal capacity worldwide is getting tight, we in Belgium were lucky to have ours increased in a substantial way: In Antwerp, the tidal Deurganckdock with a final capacity of 7 million TEU which will double the Antwerp figures, got his real start, and in Zeebruges we had the opening of the APM Terminal, again worth a couple of million TEU. Both ports enjoyed to welcome the newest generation of container vessels with a capacity of 9.500 TEU.

Standstill or a slight decrease had to be faced in conventional/breakbulk trades and some dry bulk trades, mainly through the ever proceeding containerization. As Belgian ports, and mainly Antwerp, were always known as being **the** conventional gates out of and into the North-Western and central European area, NAVES and her members focused on various actions to promote these conventional trades: Port resolutions, dating from easier times, are being reworked, labour organization discussed with social partners, cost situation scrutinized in order to improve ...

Next to this, NAVES spent a lot of time on improving working relations between authorities and maritime industry: Customs, VAT, environmental departments, and of course all nautical service providers e.g. pilotage, VTS services and port authorities. Especially here, the actual implementation of the agreements signed end of last year between Holland and Belgium about the deepening of the river Scheldt and the joined management of the nautical access, got our full attention: joined working groups of all stakeholders are working out procedures to streamline the total nautical chain. The "E-counter" for vessels, which will streamline new and existing electronic dataflow and will burry the remaining of the traditional paperwork, is about to start in production phase. The Central Broker System, which connects all nautical players s.a. pilots, radar chain, VTS services, lock planning, towage and boatmen services is already in operation since several months. Both systems will be coupled within short. NAVES and her members played and still continue to play an important role in building up all those procedures, this with a continuous care for the interests of owners and principals by improving the nautical access chain, and the cost and the safety situation.

In order to keep our members and relations informed in an improved way, the secretariat decided to construct a website. We hope to go "on air" at the end of the year.

Member Association Report — BRAZIL

Association: *Federação Nacional das Agências de Navegação Marítima (FENAMAR)*

Membership: 12

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Fundada em 7 de Setembro de 1989

FENAMAR continues to strive to defend the interests of the Shipping Agents in all matters relating to shipping and port operations.

This year Brazilian foreign trade is experiencing another quite good year and the trade balance is expected to show a surplus of US\$ 41 billion. During 2006, some projects, particularly those depending on Government action, are still under development. Despite the extremely slow response time from the authorities, the upside is that FENAMAR continues to play an active part in a number of for a, primarily involving ports and foreign trade, which giving it the opportunity to bring to the table the expertise of shipping agents in discussions such as:

Customs Procedures: In line with the global shift towards establishing systems that provide risk analysis based security, Brazilian Customs made good progress this year towards streamlining some of their procedures. In this regard, FENAMAR, in partnership with shipping agencies in Brazil is leading the development of a new system named SIS-CARGA, that is being developed by the Government to combine two systems, the so-called Siscomex (Customs Authorities) and the Mercante (Marine Merchant Authorities). This system is expected to be fully operational in 2006 and should change and simplify the way shipping agents send information to Customs. Today most of the information related to vessel's berthing, load/discharge and so on is sent by means of hard copies, whereas the SISCARGA will allow everything to flow electronically. Obviously this change will require shipping agencies to make considerable investments in software and training.

Transport Matrix: Brazil, in common with many other countries, currently moves 60% of all domestic goods by truck, 18% by train, 10% by aircraft, pipelines and others and only 12% by ship. FENAMAR is working closely with other Brazilian entities to change this matrix by making the Brazilian Government understand the urgent need of a better balance among the above-mentioned transportation systems. The biggest obstacle to diversification of transport is the lack of investment in, and support for, our cabotage system and in river transport. Unfortunately the Federal Government still fails to understand that better utilization of our river systems and Cabotage would considerably reduce transport costs whilst at the same time reducing the enormous and unnecessary burden on our roads. Additionally, the necessary support to cabotage would entail the rebirth of our shipyards, thus creating hundreds of thousands of new jobs.

Agricultural Product Exports: FENAMAR is a member of an industry group, coordinated by the Ministry of Agriculture, which is working on studies and projects in order to provide, in a short time, a new option for exporting the Brazilian soybeans production through new export corridors.

Dredging: Since November 2005, FENAMAR has participated in a group established by the Federal Deputy Chamber in Brasilia discussing infrastructure special projects investments. One important result of this work is that now FENAMAR is heading up a project to draft a new dredging law, which hopefully will transfer responsibility for dredging from the port authorities to the private sector, a move that will, it is hoped, ensure that the dredging required to ensure Brazilian port industry can continue to provide the facilities necessary to accommodate increasingly large vessels.

ISPS Code: During the year of 2006, this matter has evolved well, without any problems in the Brazilian Ports being reported so far.

Member Association Report — BULGARIA

Association: *The Bulgarian Association of Ship Brokers and Agents*

Membership: 50

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The association comprises a liner agents section, a brokers section and a Danube river section within its structure. Liner agent members represent all major lines operating in Bulgaria, while broker members represent some of the biggest industrial (chemical, extracting and energy) companies and some of the largest shipowners, in the region.

BASBA members act for about 85 % of ships calling at the ports of Varna region, about 90 % of ships calling at Danube ports of Bulgaria, and also hold a considerable part of the market of agent services in the Port of Bourgas (about 60% and increasing).

The Liner agents section has continued its work on providing mutual standards and practices and in the last year has developed an index of local fuel prices which is being used by Bulgarian haulage companies as a benchmark for the setting of container carriage rates. The association also continues to prepare a wide range of statistics on Bulgarian port throughput. In the past year total cargo passing through the Black Sea ports amounted to 24.8 million tonnes, (up 6% on the previous year), and through Danube river ports 3.62 million tonnes (up 7%) whilst total container traffic through the seaports stood at 110,000 TEU (up 5%).

The association has been closely involved in the implementation in Bulgarian ports of EU Directive 2000/59/EC (relating to disposal of ship generated waste) with effect from January 1st 2007. In spite of this example of close cooperation between the authorities and industry, overall dialogue between industry and the government continues to be poor. The association, along with other sectors of the maritime industry, provided input to the Parliamentary Commission on Transport that was reviewing the government's proposals to enhance the maritime sector but the proposals were rejected in the Parliament. The issue has, however, been sent to the Constitutional Court for further scrutiny. Other efforts to reform the sector are also facing problems. Efforts led by BASBA to enhance border control procedures — a major bottleneck in Bulgarian ports — have been frustrated by the separate authorities, border police, port health, maritime administration retaining the right to board all vessels and carry out their inspections. In some cases, particularly where container vessels are concerned, the inspections can take longer than the cargo operations. Bulgaria has ratified the IMO FAL convention but the authorities are refusing to act in accordance with the information provided. Furthermore, free pratique cannot be granted by radio, fax, telex or e-mail in many cases. BASBA has called for the introduction of radio pratique at all ports but to date no positive response has been received from the authorities.

Although Bulgaria becomes a full member of the European Union on January 1st 2007, the maritime sector is still not being administered in accordance with all appropriate EU regulations. An example is the inability of the veterinary checkpoint in the container port of Varna East to provide adequate levels of coverage, in spite of this being the 2nd largest port in Bulgaria, and bottlenecks occur. BASBA will therefore be calling on ECASBA to provide assistance in overcoming these problems.

In spite of the establishment in December 2004 of a state-owned nationalised company to operate Bulgarian ports, two Black Sea ports have now been privatised.

In May 2006, BASBA and the Bulgarian Chamber of Commerce and Industry organised a national conference on ports and water transportation and the association was responsible for issuing the main report on proceedings.

Member Association Report — CYPRUS

Association: *The Cyprus Shipping Association*

Membership: 35

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During 2006 the Cyprus Shipping Association (CSA) remained in the forefront of developments in the Port Industry of Cyprus.

1. Port Reception Facilities

The dialogue which started last year by the CSA and other Industry partners with the Cyprus Ports Authority (CPA) has come to a positive result with the CPA agreeing to more flexible regulations and a more advantageous waste reception tariff for vessels.

2. Short Sea Promotion Centre (SPC)

The CSA has been active in the establishment of the Cyprus SPC in May 2006 becoming also a member of the Cyprus SPC Board of Management.

The stated aim of the Cyprus SPC is to provide balanced information to trackers and shippers on the main routes through the Mediterranean Sea. Furthermore, the Cyprus SPC aspires to promote the island as a transshipment centre in the East Mediterranean.

3. E.U. proposed Directive on Seaports

After the rejection of the above directive, the CSA has embarked in an exploratory dialogue with interested parties with the aim to formulate and implement a new, more effective and efficient system of operation and handling of goods at Cyprus Ports.

Towards this end, the members of the CSA have formed a new company (United Stevedoring Company Ltd).

4. Electronic Customs Multi-Annual Strategic Plan (MASB Rev. 7) – Establishment of the “Authorized Financial Operator”

The CSA is watching closely the developments as a member of the Technical Committee established by the Cyprus Customs studying the subject.

Our Association is in favour of the proposed introduction of the Authorized Economic Operator (AEO) and intends to encourage its members to participate in this scheme.

5. ISPS

Our Association has continued to cooperate closely with the Ministry of Communication and Works and the CPA for the correct and effective implementation of the ISPS code in the Cyprus Ports.

We remain opposed however to the imposition of security charges by the CPA and working to convince the CPA against the introduction of such charges.

6. Port Labour Council

As a member of the Port Labour Council, the CSA together with the Ministry of Communication and Works, the CPA and the port Labour Unions has continued to be involved in the consultations concerning the manpower requirements of the Cyprus Ports, as well as training and safety issues of the port labour force.

Member Association Report — DENMARK

Association: *The Danish Shipbrokers Association*

Membership: 146

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The last year has been a good year for the Danish Shipbrokers and a long needed consolidation has taken place.

Traditionally, it has been a task for society to ensure that the infrastructure is efficient and well maintained and significant sums have been spent on roads, bridges, railroads etc. In spite of this we continue to endure heavy congestion, accidents, pollution and delays. It is therefore difficult to understand the reason for the negative treatment of maritime transport. Ships and their cargo are each year paying huge amounts to the publicly controlled Danish ports, which are demanding higher and higher profits and many ports are trying different ways and means to have funds transferred from the port to the local commune. This situation is damaging industry's efforts to have cargo moved from land to sea.

The Danish Shipbrokers' Association are of the opinion that maritime transports should be used whenever possible. "On the Seas there are oceans of space".

The Association

The Association now has 146 members (incl. sub-offices) and more and more shipping companies are supporting our efforts.

The members are important partners in arranging efficient and competitive maritime and multimodal transports and they are working hand in hand with ship owners, cargo interests and others to the benefit of society.

Growth in Danish Ports

In November 2005 the Danish authorities published a report named "Growth in Danish Ports". This report confirms that many ports are more focused on development of recreational areas, commercial buildings and the like instead of providing an efficient commercial port. The report states that there is a strong competition between the shipbrokers and that their prices have been reduced over the last 10 years. The contrary seems to be the situation when looking at the ports where coordination of prices seems to be the case and a very high profit is the norm.

Employment and education

There is a shortage of well-qualified shipping professionals in Denmark and the Association is working on increasing the general awareness of the importance and the possibilities in shipping. During the last 4-5 years we have improved the level and range of shipping education and courses are now available for all levels from apprentice in shipping to an MBA in Shipping and Logistics. TutorShip is gaining increasing interest in Denmark and in 2006 39 students attended 97 exams.

For many year the provision of shipping education books in Danish has been requested but unfortunately none were available to address maritime transport on a professional level. In 2005 the Association published a book "SHIPPING", which covers Liner Agency, Port Agency, Chartering (time and voyage) and Maritime Law at a level intended for the experienced practitioner and has been very well received.

Passengers and crew members

New rules from EU regarding the issuance of Schengen-visa will be implemented as per 1st January 2007. In the future more rigid rules will be applicable and the association has had several meeting with the Danish Authorities. It is believed that change of passengers and crewmember (where a visa is required) will only be possible with the assistance of port agents.

Member Association Report — DUBAI

Association: *The Dubai Shipping Agents Association*

Membership: 52

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DSAA is actively facilitating and participating in Shipping and Maritime related seminars and conferences, with a view to promoting information flow within the various segments of the Shipping industry. This enables the members to keep abreast of the latest events besides serving as an educational platform. We are glad to be co nominated into the Dubai Customs Committee for Modernisation and Reforms, which is an indicator of DSAA's commitment to streamlining trade practices in this region.

DSAA acknowledges that the inputs provided by senior industry leaders is vital for providing the exposure to the members. The dissemination of this knowledge assists the members to make well-informed decisions. However, it is not all work and no play at DSAA. The recreational sub-committee conducts events for the members in various sports such as Cricket, Table tennis, Bowling and football. The enthusiasm and the support received for these events was overwhelming.

DSAA is confident that the synergy provided by its talented multicultural membership base, will enable the organization to set new standards of professionalism in this region.

Together with the local shipping industry, DSAA looks forward to the future with optimism, in view of the dynamic opportunities that are available in the Shipping and logistics industry.

DSAA has been very actively involved in organizing various events with the help of our Legal & Technical Committee, who meet once a month to discuss and plan out the marketing for future events.

1. DUBAI SHIPPING CONFERENCE – during Ship Port Arabia 2005 DSAA had organized one day seminar wherein we had a record number of participants of 250 and event was very successful.
2. VESSEL VISIT - we at the DSAA organized vessel visits for all our members, with the help of DP World. We take members to develop their practical knowledge and to get them the first-hand experience of how the vessel operates in detail.
3. MEET & GREET SERIES - On quarterly basis, DSAA organizes this event wherein all the members have an interaction directly with the senior officials from Dubai Ports and Customs, wherein DSAA members discuss the day-to-day problems they face and they get instant replies / suggestions. This has been a very popular event.
4. REEFER CONTAINER – DSAA had organized half day presentation / talk on reefer containers, wherein all the members were given the details of how the reefer container works etc.

Apart from the above DSAA has been a support sponsor for the following events:-

- MARITIME RESOLUTION CONFERENCE - Dubai International Arbitration Centre, Dubai U.A.E.
- MARLO CONFERENCE by Marlo Bahrain.
- TOTAL LOGISTICS SEMINAR – was conducted by Marcus Evans, Malaysia
- ANATOMY OF INTERMODAL TRANSPORTATION COURSE – By Cambridge Academy of Transport UK
- BILLS OF LADING by BIMCO of Denmark – BIMCO organizes various training course every year in Dubai.
- FIRST GLOBAL SUPPLY CHAIN & LOGISTICS CONFERENCE BY CSCMP – USA.
- APTS M.E. - Airport Port Terminal Security M.E. – March 2006

DSAA is one of the supporters of a major event - SEATRADE M.E. which was held in the first week of Dec. 2006, Taking into consideration DSAA's involvement, Seatrade had offered DSAA members one of their conference sessions free of charge called - Liner Shipping and Port Development.

Forthcoming events – DSAA is a supporter for another event called M.E. PORT DEVELOPMENT, which will be held in Dubai from 6th 7th Feb. 2006.

BIMCO is planning to bring in TOUGH TANKER course from 6th to 7th March, 2006 in Dubai.

Member Association Report — FINLAND

Association: *The Finnish Shipbrokers Association*

Membership: 73

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The Finnish domestic commercial environment has been quite good this year. Industrial production shows a clear increase during first half of 2006 and consequently so has Finnish trade. Employment levels are improving and on the labor side there has not been any significant actions. The prospects for industry therefore look fairly good for at least the remaining year.

For the Finnish shipping industry, a functioning tonnage tax is a necessity and is the most important issue for positive future development. The main issue for the Finnish shipowners is to have a revised and better working tonnage tax accepted by the parliament. The Finnish merchant fleet transported about 30 percent of the total trade, which now exceeds 100 million tons.

The activities of the Association lead by chairman Rolf Sandberg have proceeded as planned. The main topic for the Association during the ongoing year is still the issue of fairway dues and legislation. A new law concerning fairway dues came to force beginning of this year. To our great disappointment the final law did not resolve the agents' concerns in respect of responsibility for fairway tax. Our objective remains to bring about a situation where the individual Agents responsibility is limited. Last June, therefore, the association filed a complaint with the European Commission. Additionally, some owners/agents have taken cases to court in a bid to revise the vessel's ice class and court decisions expected later this year.

The Association continued to actively campaign to gain acceptance by the Finnish authorities of the use of English as a basis for the granting of pilot licenses. We also discussed this issue with EMSA (European Shipowner Community Association) and received their support. A working group has now been established by the Ministry of Transport and it is likely that implementation, for a trial period only, will be effected later in 2006.

Together with our Nordic colleges and ECASBA we continue to work for a change towards a more reasonable HELCOM waste strategy. The peculiarities of the waste disposal strategy in the HELCOM region was raised with the European Commission during the ECASBA seminar in Brussels.

We aim to offer our members educational options within our branch and thus now exploring various alternatives one being ICS.

The Finnish pilot administration will still this year gradually change the pilot ordering from the VTS centres to a call centre in Helsinki and as a result direct contact with the VTS centres will cease. On several occasions we have expressed our doubts about the workability of this arrangement to the authorities .

We have also expressed our concern as to customs interpretation of the new law on fairway tax. A working group has been established led by the Ministry for transport to clarify the interpretations. We are represented along with customs, industry, FMA and shipowners associations

The Finnish Shipbrokers' Association held its 86th annual meeting in Turku on March 16th 2006. Mr. Rolf Sandberg continues as Chairman until next annual meeting. Our objective remains to contribute best possible to an increased welfare and appreciation of our Members and the Shipping industry in general.

Member Association Report — FRANCE

Association: *FACAM*

Membership: *142*

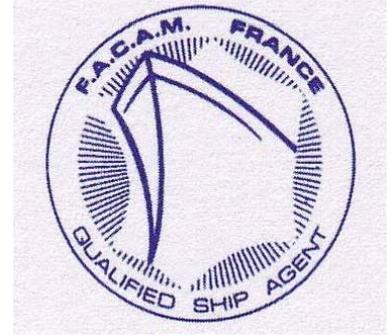
Contact: *Mr. A. Lobadowski*

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e-mail: facaff@club-internet.fr

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The last 12 months in France have been marked by two major cases, both of which directly concern our first container port Le Havre but which may also effect other French ports.

The first one concerned a dispute between the Le Havre Port Authority and the stevedoring company over the control of the crane drivers appointed to operate on the new "Port 2000" terminal. The situation was finally solved just before the terminal opened to commercial traffic in mid-April 2006. For the next few years, crane drivers will be under the control of the terminal operators on the new terminals. This achievement is important because it also has implications for the new Marseille-Fos 2XL terminal, which is now under construction.

The second case dealt about tug competition, again at Le Havre. Following European directives, the Port of Le Havre could not, and initially did not wish to, avoid the principle of towage competition. Unfortunately the size of the harbour can scarcely cope with two companies and the situation is still now far from clear. After several technical problems lifted by the French administration concerning the new tugs and their conformity with French current regulations, unions raised social matters (such as time spent on board) and the original monopoly towage company has claimed for a guarantee of fair competition and clear rules of intervention. The case is far from being solved as a government mediator has been appointed without success and each party seems to have material for discussion.

For the time being the main losers are the owners who have contracted with the new company which may now be unable to fulfil its obligations, but the overriding fear is that if a decision goes against the unions this may lead to problems in other ports where same companies are involved, or even national strikes based on the traditional defence of the sailors' interests.

Speaking of costs, there were no important changes in main tariffs with the exception of Le Havre where harbour dues have notably increased due to the application of a contract between the port authority and the State. Our local organisations are always very active and act when possible to minimize all rise in port expenses.

In another field, it may be of some interest to take note that a new French law entered in force on 5th January 2006, stipulating that in a number of cases time limit for payments shall not be over 30 days. Initially meant only for transportation of goods by road, the activities of forwarding agents, air freight agents and also maritime liner agents are concerned by this law, leading to shorter terms of payment.

Meetings with French Customs continue with regard to introduction of new policies and procedures, mainly concerning implementation of European regulations related to security, fraud, drugs, authorised economic operators and the like, but these do not necessarily lead to simplification of our activities. The main concern for agents will be how to get a fair remuneration for the additional work required of them.

As reported last year, insurance coverage, appropriate remuneration for our members and official recognition of the profession remain prime considerations for our association but we are not optimistic about the chances of success in relation to the final item. Additionally we still believe that it is very important for an agent to be based in the port where he is operating. We hope to be able to report on better success next time.

Last but not least, we just wish to remind that at the beginning of 2006 we issued a new name to cover our liner agent as well as port agent activities : AMCF – Agents Maritimes et Consignataires de France.

Member Association Report — GERMANY

Association: *Zentralverband Deutscher Schiffsmakler*

Membership: 400

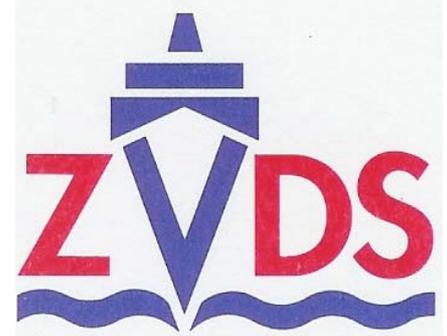
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The German Shipbrokers' Association is the national umbrella organisation of 12 local shipbrokers' associations, representing a total of about 400 member companies. 2006 was marked by a wide range of activities:

Pilotage

Negotiations with the pilots' organisations took a prominent position this year. The issues concerned included the education and training situation of the pilots. New methods of training pilots need to be developed, in view of the small number of holders of master's certificates. Further discussions were held on subjects such as pilot transfer logistics, change in pilotage language from German to English, and remuneration for pilots. With respect to pilots' remuneration, the German Shipbroker's Association developed an index system based on various comparable pay scales, for application to remuneration of pilots.

Short-Sea Shipping Promotion Center

The Short-Sea Shipping Promotion Center was established in 2001 as a neutral consultant for commerce, industry and logistics, to help shift traffic from highway to waterway. It now includes inland waterways, and the name is now being changed to Short-Sea Shipping Inland Waterway Promotion Center.

Training of young people for the shipping sector

One of the principal tasks of the German Shipbrokers' Association is to help in the training of young people for the profession. The number of young people who have completed training in this sector has risen steadily for a number of years: 2004: 765 trainees,

2005: 869 trainees, 2006: more than 900 trainees. To give young people who have completed their training a chance of further education, the German Shipbrokers' Association organises lectures on the shipping sector, covering specific subjects such as chartering, liner shipping and logistics. The lectures are held in Hamburg and are attended on average by between 40 and 70 participants.

For the coming year, the German Shipbrokers' Association has arranged a lecture series with the Bucerius Law School, designed specifically for experienced people in the profession. It includes more than 30 seminars, focusing mainly on chartering, shipping law, insurance and logistics. Together with the German Shipowners' Association (VDR), the German Shipbrokers' Association publishes a standard textbook for young people in the shipping sector. A new edition is in preparation, for publication in 2007. The various sections are written exclusively by practitioners, and cover the entire range of activities in the shipping business.

Special events

Special highlights in the event calendar for 2006 were the ECASBA Seminar in Brussels and the Port Policy Symposium in Berlin in June and the traditional Eisbeisessen dinner in November.

General association activities

The main activities in 2006 included:

Provision of information to keep members up to date on new developments in shipping. This included monthly circulars to all members. Advice was also provided to individual members, either face-to-face or by telephone, on a regular basis.

New By-Laws were drawn up in 2006, to ensure even closer communication between the Shipbrokers' Association and its members. In particular, changes were made in the rules for the Meeting of Members to ensure a broader based exchange of information and full use of the Meeting as a forum for discussion.

The Hamburg Shipbrokers' Association published the HAMBURG INDEX of Containership Time-Charter Rates once a month. This is a neutral market survey, based on the charter parties fixed by about 20 freight brokers.

In addition, the Hamburg Shipbrokers' Association prepared a market survey of payment for special services provided by liner agents. Both of these surveys are published at the website www.vhss.de.

Member Association Report — GREAT BRITAIN

Association: *The Institute of Chartered Shipbrokers*

Membership: 114

Contact: *Mr. C.H. Stride FICS*

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The Institute of Chartered Shipbrokers (ICS) is an internationally recognised professional body representing Shipbrokers, Agents and Managers in the United Kingdom and Overseas, with some 3500 Individual and 114 Company Members. Within the United Kingdom, The Institute, through its Federation Council, is the Trade Association for its Company Members.

Membership of the Institute commits its Company and Individual Members to maintaining the highest professional standards.

The Institute is extremely active on behalf of its members, and through its Federation Council is the recognised interface for the UK Government, its various departments and other national and local authorities. Federation representatives, as well as having a permanent place on a number of Government committees, continue to be directly concerned with a number of consultations and initiatives involving Her Majesty's Revenue and Customs (HMRC), Maritime Coastguard Agency (MCA), Home Office, Department for Transport (DfT) and SITPRO amongst others.

Because of its close contacts and excellent relationship with these Government Departments, following major changes to their working procedures, the Federation Council has made agreements on behalf of its Company members for them to undertake certain responsibilities on behalf of those Authorities. This not only aids the UK Government and the Company Members, but also assists in the smooth and efficient movement of ships and cargoes, thus benefiting all. Following discussions with HMRC during the past year, it is expected that an agreement regarding the reporting and clearance of vessels should be finalised towards the end of 2006.

The close links with FONASBA and ECASBA are an important part of this role and the Institute Federation Council has played an active part in the various developments and consultations that have occurred over the past year. Where needed the Federation representatives have used their contacts with the UK Government to influence policy and practical applications of new European and International legislation. Recent discussions with HMRC covered the Pre-arrival and Departure legislation. Members of the Institute also sit on a number of FONASBA and ECASBA committees.

Education and Training are one of the major roles of the Institute, and its Tutorship arm again celebrated its highest number of students worldwide during this last year. Various levels of study and examination covering all the main disciplines of shipping, shipping law, economics and finance are available and are supported by distance learning procedures.

One day training courses, the 'Business of Shipping', and a recent introduction 'Liner Business' are also available and are given in support. These are available in London or can and have been given in companies premises around the country and overseas. Additional courses are under development and are due to be launched shortly. Any FONASBA/ECASBA Association interested in holding courses should please contact education@ics.org.uk.

Member Association Report — HUNGARY

Association: *The Hungarian Shipbroking & Shipping Agents Association*

Membership: *11*

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In addition to its membership of FONASBA/ECASBA, the Hungarian Shipbroker and Shipping Agents Association is a member of the MVVLSZ (Hungarian Rail-, Water- and Airtransport Association) and an associate member of MSZSZ (Association of Hungarian Forwarding and Logistic Service Providers)

The shipping industry in Hungary remains on the periphery due to the landlocked location of the country. As the result of the latest reorganization of the Ministry of Economy and Transport the shipping department of the ministry ceased to exist and the shipping industry is no longer represented individually on government level. Despite the Danube being designated corridor No. VII, it is still not integrated into the Pan European Transport. This is a real multimodal corridor, but utilization of the cheapest and most environmental transport mode is still not being maximised. There is too little political and governmental/administrative support for inland navigation, not to mention the maritime sector. The development of the EU waterways is the task of the EU therefore we are closely watching the "NAIADES" project of the European Commission.

Besides the offices of the major shipping lines there are also local agents who are mainly acting as booking agents of the sea-shipping lines but all of them are combining their activities with forwarding as the export and import cargo movement requires pre-carriage or on-carriage to and from the European seaports. The port agency is still not compulsory in the river ports of Hungary. The limited number of local shipbrokers are fully exposed to the free competition and handicapped to work for the local Charterers due to the obligation of invoicing 20% VAT on the brokerage commission.

During the last twelve months we have expressed our opinion regularly on several drafts of the national government related to the shipping and transport industry, prior to presenting the Bill to the vote of the Parliament. Our Association has been represented at the meetings of FONASBA, ECASBA, MVVLSZ and MSZSZ and our representatives also attended the important local forums and seminars of the industry.

Member Association Report — IRELAND

Association: *The Irish Ships Agents Association*

Membership: 40

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Member of FONASBA

The Irish Ship Agents' Association is an internationally recognised body, representing ship agents in Ireland. It has a working Council of twelve members with regular meetings throughout the year.

ISAA have two affiliate members, i.e. Belfast Shipping Agents Association and Irish Port Employers Association.

The Association has benefited considerably from the decision by the Department of Marine to officially recognise the Association as the national representative body for ship agents. Consultancy status was also conferred. Regular meetings take place between ISAA and the Maritime Transport Division of the Department of Marine when Association representatives are updated on intended developments.

ISAA provides two delegates for FONASBA's British and Irish Sub-Committee (BRISCOM). The Sub-Committee reports to the international body on activities in the UK and Ireland range areas. The UK delegation to BRISCOM is supplied by the Institute of Chartered Shipbrokers, London.

A representative of the Association also attends regular meetings throughout the year with the Irish Maritime Development Office.

The Dublin Port Tunnel is now nearing completion. This will link the M1 Dublin-Belfast motorway and the M50 to Dublin Port. The purpose of the tunnel is to take heavy goods vehicles away from the city streets thus easing traffic congestion.

The Drogheda Port Company proposes to develop an integrated 24 hour deepwater port and logistics centre at Bremore. The Port will have 24 hour marine access to facilities to accommodate new short sea shipping services to the UK, Europe, Scandinavia and the Baltic States. Fingal County Council has published a draft Development Plan over five years.

ISAA has set up its own website which is now up and running – www.irishshipagents.com

Member Association Report — ISRAEL

Association: *The Chamber of Shipping of Israel*

Membership: 48

Contact: *Mr. R. Zuck—President*

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For over 70 years the Israeli Chamber of Shipping has been representing the interests of the Maritime & Shipping Community in Israel.

The Chamber is the sole body representing over 50 shipping agencies, shipping companies and ship owners.

The Chamber main objectives are to promote, handle and safeguard the entire range of issues and interests of the Israeli shipping industry, including owners, managers, and operators trading in Israel.

During the year of 2006 the Chamber was involved with the following issues:

- Implementation of the new Israeli Seaports Reform law for the best interests of the Shipping Community and its clients.
- Working together with The Israeli Shippers Council, The Manufacturers Association of Israel, in order to find the right means of processing the new reform in tariffs planned for the Israeli Ports.
- Cooperating with the authorities in order to eliminate stealing of cargo and containers from the ports.
- Coordinating together with the relevant local authorities the implementation of the ISPS code by all vessels calling to the Israeli Ports.
- Involved together with the local administration and The Israeli Ports Company in the short and long future developing plans of the Mediterranean Israeli ports.
- Encouraging the implementation of "paper less" software between Customs, Ports and Shipping Community for the benefit of all Users.
- The Chamber is involved in many professional training of its Members (staff & Management), as well as promoting training of young generation of Mariners.
- The Chamber is trying to initiate the MOT to introduce a Key Performance Indicators to benchmark the ports service levels in order to bring the Ports Companies to sign "Service Contracts" with the Shipping Lines.
- The Chamber is sparing no efforts to regulate certification and licensing of shipbrokers and agents as mandatory.

Member Association Report — ITALY

Association: *FEDERAGENTI*

Membership: 580

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Federagenti today comprises total of 25 regional federations, covering a total of about 600 companies in Italy. Our members have a total of about 8.000 employees. The association has been developing several important initiatives during the past year under the chairmanship of Umberto Masucci, who was reconfirmed as Chairman of the Association during our last Meeting held in Venice in May 2006.

Italy has once again seen a slower pace of growth during the last year, mainly due to lower growth of our national GDP compared to several other European countries, but also to a lack of investments and faith shown by our previous Government towards logistics and particularly shipping activities, which led to lower investments in ports and maritime transport. Italian Ports have therefore suffered from almost no increase in quantities handled, which contrasts markedly with the continuous and steady growth by competing countries, such as Spain. Our infrastructure is still not good enough and often investments have been promised or effected on project with high visual impact than a real possibility of beneficial effects on the economy (As an example the bridge over the Messina Strait, which, if built, could have a limited effect on the economy of the area, whilst the infrastructures all around it are still in very poor conditions). Furthermore, other reasons, such as problems with dredging and consequent impossibility to increase drafts in few ports have limited the expansion of traffic in Italian ports, despite their being in a pivotal position in the centre of the Mediterranean Sea.

The change in Government following our last elections could bring about a major change in this pattern. The first moves of the new Government are encouraging some optimism, for example in the Financial Law for Year 2007 funds have been made available to port authorities to invest in port facilities, as well as with specific attention being paid to sea transport, including on domestic routes. We hope that when writing our report next year this optimism will have been justified by facts.

Federagenti has been heavily involved in continuous action to promote shipping in Italy as well as the image of our industry with a view to making ourselves well known throughout the country. This has been primarily effected through continuous lobbying aimed at the local and national government and other authorities.

We have also been providing continuous support to a wide range of initiatives aimed at modernizing the laws and regulations of Italy, an action that has been undertaken in close cooperation with other organisations in the shipping industry, such as Confitarma, the Italian Shipowners Association and Federazione del Mare, the umbrella organisation for maritime transport in Italy.

Federagenti has also continued to support the activities of the short sea promotion centre in Italy, including its cooperation with the Italian government on the new European Commission proposals on the liberalization of port services. Our federation has also worked in cooperation with port authorities in ports development, but always via our local branches. In the last year, our Chairman has visited 9 local associations, in order to assure them of the full support of the national body.

Last year Federagenti announced a project to develop education and training in Italy in co-operation with the Institute of Chartered Shipbrokers and Tutorship and this project has been finalized this year. The Ente Bilaterale, a body composed of Federagenti and trade unions that was established specifically to work on education and training of our personnel, has been approved as an ICS Distance Learning Centre and recent begun supplying Tutorship courses which are made available to all of our members. We also hope that in due course Italy could form another branch of the ICS.

We are also proud to mention the creation during last year of two new sections within the Federation, one dedicated to agents working with yachts and sailing vessels, and our Young Shipagents section.

Member Association Report — JAPAN

Association: *The Japan Association of Foreign Trade Ship Agencies*

Membership: 78

Contact: *Mr. E. Itoh*

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JAFSA continues to be very active in protecting the interests of its members both within Japan and internationally. As the trade body for the Japanese agency industry, the association is in regular contact with Japanese Shipowners on issue such as liner agents remuneration and implications of the ISPS Code and New Oil Pollution P&I Code

The Association is represented on number of government or public corporations committees covering maritime issues including:

- Safe navigation and pollution prevention in Tokyo Bay.
- HNS (MALPOL) Convention investigating Committee
- The facilitation of EDI in Port and Harbours
- Measures to reduce air pollution by vessels
- Maintaining safe navigation in Tokyo Bay during construction Haneda Airport and New Bridge.

JAFSA was very proud to host the 2006 Annual Meeting of FONASBA in Tokyo on last October, and we wish to thank the Executive Committee and all those who attended for making it a very successful event.

In addition to the FONASBA Annual Meeting JAFSA also undertook the following activities:

- Monthly Board Meeting
- Issuing “JAFSA News”
- JAFSA Beer Party, July 2005
- JAFSA Annual Meeting and New Year Party, January 2006.
- JAFSA Golf Competition, May 2006
- Seminar on “Anti Trust Law and Agency Fees”, August 2006
- Published “Japan Port Information” which covered 150 ports in Japan

The President of JAFSA, Takazo Iigaki, was elected as FONASBA Regional Vice President for Asia at the Annual Meeting in 2003 with particular responsibility for expanding FONASBA’s membership in the region and a number of associations in Asia have been contacted with a view to joining. The Philippine Ship Agents Association was a very welcome guest at the 2005 Annual Meeting.

JAFSA have started delivering educations by seminar and/or panel discussion to members, non-members and, from this year (2006) for apprentices in the ship agency business.

In addition to the seminar on “Anti Trust Law and Agency Fees”, which was for JAFSA members only, the association also organised a panel discussion, open to members and non-members, at which two panellists from the Bay/Harbour pilots discussed marine accidents in Tokyo Bay/Harbor.

JAFSA has decided to hold these seminars and/or panel discussions at least twice a year in the future.

Member Association Report — KENYA

Association: *The Kenya Ships Agents Association*

Membership: 28

Contact: *Capt. Frederick O. Wahutu*

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The 28 members of the association are drawn from agents and shipbrokers covering most of the maritime business through the port of Mombasa, Kenya's main seaport.

Maritime transport in Kenya falls under the Ministry of transport which also looks after other modes of transport. For the implementation of maritime regulations, there is the Kenya Maritime Authority (KMA). The port operator is the Kenya Ports Authority (KPA) who, at present, is also the landlord.

The association has a very good working relationship with the Ports Authority, the Kenya International Freight & Warehousing Association (KIFWA), Transit Transport Coordinating Authority (TTCA), and Kenya Revenue Authority (KRA) amongst other stakeholders in the maritime transport business.

The Government of Kenya through the ministry of transport and in association with the Kenya Ports Authority and the Kenya Revenue Authority is working towards the establishment of a single window system for the processing of cargoes through the port of Mombasa. It is an accepted fact that the present system is not satisfactory.

As a stakeholder in the industry the association is also involved in this exercise for which we are very glad and look forward to its success in the not too distant a future.

The association is also involved in discussions with the port operator on the proposed new tariffs which are due to be rolled out in March of 2007. We have made our views known, requested for further consultations on certain areas and are awaiting response from KPA.

The port, which currently handles a throughput of some 13 million tons per year, embarked on a major rehabilitation exercise in 2004 which has seen the acquisition of new marine crafts and cargo handling equipment. Most of the cargo equipment was for the handling of containers whose throughput is presently over 400,000 teus and for which there are plans for the expansion of the handling capacity. Plans are also underway for the rehabilitation of other cargo handling equipment and facilities.

Finally the railway system has been privatised and we hope to see better performance in the future.

Member Association Report — LITHUANIA

Association: *The Lithuanian Shipbrokers & Agents Association*

Membership: 50

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**1. Association**

The Lithuanian shipbrokers and agents association has 51 members (three new this year), whose activities are agency, shipbroking, shipsupply, crewing and shipmanagement.

We meet once per quarter. The membership fee is fixed and payable twice per year.

Our association is a member of Inter-Association council together with the associations of stevedores, shipowners and Shiprepair/Shipbuilding companies. The Chairman of this council – the President of one of associations – rotates each year. The attractive tradition has born some years ago to arrange a joint Christmas party, inviting Port and city officials and politicians to participate.

Our association is presented at the Port Development Council, chaired by the Minister of transport.

The procedure of attestation is to be applied for the companies willing to provide ship agency services.

2. Port report

At present Klaipeda is the only seaport in Lithuania. Although recently Port Authority made the decision to appeal to the Ministry of transport and communications of the Republic of Lithuania and to the Government of the Republic of Lithuania for financing of the Sventoji seaport reconstruction works.

Port annual turnover is approx. 22 mill. tons. The structure of cargoes is 33,1% oil products, bulk cargoes 34,2%, general cargoes 32,7%, between them Ro-Ro cargoes 13,8%, containerized cargoes 8,8% and other products and materials 10,4%.

The developed infrastructure of the Port, favourable geographic situation, sophisticated management system and continuous investment in the newest cargo handling equipment make the port of Klaipeda attractive in the field of transportation of containerized cargoes. The goods volumes transported in containers and trailers increase rapidly and the volumes are forecasted to further increase.

The Baltic Sea countries are cooperating on the development of the Motorways of the Sea concept in the Baltic Sea and hereby call for consortia consisting of at least ports and transport operators to propose Motorways of the Sea projects in the Baltic Sea region.

3. Country

Lithuania is a member state of EU, the population for the moment is approx. 3,4 mill. Economic activities are mostly developed with such countries as Germany, UK, Russia and Scandinavian countries as well.

Member Association Report — MEXICO

Association: *Asociación Mexicana de Agentes Navieros AC (AMANAC)*

Membership: 56

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This is the annual activities report of the Ship Agents Mexican Association. In this year we have been making a new maritime legislation symposium (Ley de Navegación y Comercio Marítimo). This law applied at July 1st, 2006. Moreover, from July to September we have been participating in the new administrative regulations (Reglamento de la Ley de Navegación y Comercio Marítimo) with maritime authority. In the next october and november the Mexican Maritime Authority will put in consideration the project according to proposes of all interested sectors.

We have been working with the custom authority concerning the new rule which establishes that the bill of lading must be sending 24 hours before ship weigh from the origin port; in the past this rule have set the obligation of sending the bill of lading 24 h before the arrival on Mexican Ports. This law have gotten a very close communication between custom authorities and association members to have the operation media.

We have had meetings with Authorities and Association members in order to explain them the new systems and noticed them the possible problems that can be generated in the maritime operation.

Moreover, we have worked very hard to become the Ship Agents Mexican Association in We are waiting for the maritime authority resolution in this issue.

We are in the middle of ISO 9001-2000 certification because we need to get quality in our process. We hope to get the certification at November 9th, we are looking for become in an organization capable to qualify all ship agents that want to get the maritime authority permission to act like a ship agent.

We will have the annual meeting of Ship Agents from November 9th to November 10th in Manzanillo, Colima, Mexico. The object meeting will be talk about the **MARITIME SECTOR PORT'S PERSPECTIVES - BEFORE A NEW ADMINISTRATION.**

This year we have had more work in important maritime items in Mexico and we have been participating in it.

Member Association Report — MOROCCO

Association: *APRAM, Association Professionnelle des Agents Maritimes, Consignataires de Navires et Courtiers D’Affretement du Maroc*

Membership: 30

Contact: *Mr. A. Mantrach*

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APRAM has continued to progress a number of issues during the year.

Legalisation of the Agency and Broking Professions — Consensus on the content of the draft bill was reached by all relevant parties, including the Merchant Marine Authority in October 2005 but when the text was placed before Parliament in November 2005 was discovered that it differed completely from the agreed text and indeed contained proposals that were extremely damaging to the continued development of maritime transport in Morocco. APRAM expressed its concerns at this development but it was not until March 2006 that dialogue with the Merchant Marine Authority was re-started. Although useful progress has been made since then, more action is required to bring in the necessary amendments.

Reform of the Port Sector — In April APRAM organised a meeting with the Office of Exploitation of the Ports (ODEP) on the reform of the port sector. 130 delegates attended, representing shipping, transport, freight forwarding, finance and the media.

Quality Standards — In April, 7 APRAM member companies were certificated to ISO 9001.2000 standard. A total of 20 APRAM members have now been certified to the standard.

Free Movement of Containers — In May 2006, APRAM proposed that Moroccan Customs allow free movement of containers, similar to the facilities allowed in the European Union. The proposal has been favourably received by the customs authorities and APRAM now awaits their further actions.

Simplification of VAT Exemptions for Services to International Transport — The procedures required to gain exemption from VAT for services to international transport in Morocco are currently complex and time consuming. APRAM has therefore entered into discussions with the Moroccan tax authorities with a view to simplifying the procedures. Suggestions include a unique annual order form per shipowner for regular lines and a unique order form per vessel, for tramp trades.

Delegation of Currency Exchange Transactions to the Agent — Problems relating to the exchange of foreign currency outside normal banking hours, particularly in respect of cruise ships, has led APRAM to propose that agents be allowed to exchange currency on behalf of the finance authorities. Currently issues relating to the prohibition of export of the Dirham are preventing such a facility being granted but APRAM is progressing this action and is hopeful of a positive outcome in due course.

Clearance of Abandoned Containers — Abandoned containers are a problem in the port of Casablanca and APRAM is working closely with the Office of Exploitation of Ports in order to introduce measures to reduce the number of abandoned boxes and to clear those that are left. The proposal is for APRAM members to notify ODEP of any boxes left at the conclusion of the 30 day time limit with a view to ODEP contacting the shipping lines to secure clearance.

Outstanding Disbursements Accounts — Investigations by APRAM show a significant increase in the average outstanding due to agents after rendering the disbursements account. In recent years the figure has increased from an average €50.00 to € 16,000 and some outstandings date back to 1980. APRAM has reached agreement with the Moroccan financial authorities to allow agents in some cases to write off the debt. The agent will have to prove that it has made every effort to recover the funds outstanding before making application to the authorities, which will then consider every case individually.

Member Association Report — ORAM, NETHERLANDS

Association: *Ondernemersvereniging Regio Amsterdam (ORAM)*

Membership: 42

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This report covers the individual activities of ORAM in the ports in the northern Netherlands but as will be seen from the logo on the following page, ORAM is a member - with VRC - of VNC, the Association of Netherlands Shipbrokers and Agents and works in close cooperation with VRC and the other members of this latter association on national issues, many of which are covered in the VRC report.

With regard to the northern ports, the shipping agents that work in the north of the Netherlands had a busy year in 2006. The biotechnology and malt industries are performing satisfactorily. A new terminal has been built for Wijnne & Barends. Delfzijl has also seen new developments and an expansion of existing capacity. Wagenborg B.V. is building a terminal for sugar beet pulp. The capacity of the existing chlorine plant is to be further expanded.

The port of Amsterdam shows substantial growth, partly as a result of increasing container throughput at the CERES-terminal. The presence of Amsterdam Airport has a positive impact on the development of the Port. Internationally the Airport-Seaport combination is used as a unique selling point. Quality of inspections such as customs authorities remain point of attention in the Amsterdam port region. Branch association of the Amsterdam port region (ORAM), custom authorities and the ministry of economic finance signed agreements concerning the quality level of inspections. These are set out in a Memorandum of Understanding. The port community system "PortNet" is becoming web based, accessible by internet and a wider range of options for the agent will be integrated.

The volume of goods handled in Flushing and Terneuzen also increased. Building at the Westerschelde Container Terminal (WCT) is planned for 2006, which will create an additional 2000 metres of quay capacity. If the project proceeds according to plan, the first ship is expected in 2010.

Utilisation of the new Westerschelde Tunnel is higher than expected, and it provides additional access to the Zeeland harbour area.

Member Association Report — VRC, NETHERLANDS

Association: *Vereniging van Rotterdamse Cargadoors (VRC)*

Membership: 115

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A feature of 2006 was an increased throughput of goods in the Dutch sea ports. There was also a rising trend in the number of ships visiting the ports, with 31,000 ships calling at Rotterdam.

Many activities in the port in 2006 were concerned with security (ISPS) and the environment. Although the attention given to these subjects only a few years ago was negligible, they are now at the top of the agenda, for both the shipping agents and the authorities, including the Port of Rotterdam Authority.

2006 was the first full year of the compulsory delivery of Annex I and V waste materials. Although the anticipated increase in delivery did not materialize, there was no sign of uniformity in execution either in the Dutch sea ports themselves, or in the EU.

The Port of Rotterdam Authority and others expressed a wish to acquire more data on ISPS from visitors to the terminals. The Association of Rotterdam Shipbrokers and Agents responded that terminals storing sensitive items, for example chemicals and petroleum products, already impose more stringent requirements on the admission policy than those storing and handling iron ore and suchlike. The question that then arises is whether the admission policy that applies in sensitive terminals should not be adopted as a higher standard for all concerned. A relevant consideration is the elimination of administrative actions that are not entirely necessary.

Rotterdam devoted considerable effort in 2006 to perfecting the Port Communication System. Following Port infolink's successful market introduction of the Cargo Declaration EDI service in 2004 and 2005, a start was made on providing a similar service to non-EDI customers, in particular the unscheduled trade agents. Technical experts from the sector and the Association of Rotterdam Shipbrokers and Agents (VRC) were directly involved through a working group here too. It became apparent in this process that nonstandard functionality requirements exist, in particular in the bulk sector. Moreover, unlike the container liner services, there would appear to be far less need for the reuse of delivered data.

VRC recognises the importance of training courses and improving the image of the shipping agent among young career seekers. VRC has duly entered into a covenant with the Shipping and Transport College that lays the foundation for further permanent and sustainable partnership between the industry and the training institute for the port. The objective of the covenant is to achieve the optimum coordination necessary to ensure a sufficient intake, into the future, of well-trained personnel to the shipbroking sector. It has become customary for a VRC board delegation to meet several times a year with counterpart goods transport organizations that are important to VRC.

Talks were held with the forwarding agents' organization FENEX on security and the associated financial surcharges. FENEX' view is that the tariff levels are so high that they are detrimental to the image of the port. Ideally they would see these costs becoming a fixed part of the price, instead of being incorporated in additional charges.

There has been discussion with the sea container transport organization AZV (Alliantie Zeecontainer Vervoerders) on the impact of Germany introducing the road tax known as the Maut. Neither VRC nor AZV have observed any resultant shift in cargo flows. There were some concerns that the market situation is demanding much work to be performed within an extremely short period of a day, because many parties interested in the cargo want their container at precisely the same time of day. VRC expressed some concern in the meeting with KRVE (linesmen's organization) on the level of costs in the port. Fortunately, it was possible to observe that the linesmen are doing all in their power to stabilize the price-quality ratio of their services. They are opposing cost increases, in particular by improving administrative efficiency and enhancing the package of services.

Consideration was given in the meeting with KVNR (shipowners' organization) to progress on the Nautical Supporting Services dossier (pilots' dossier). The pension issue and the inability actually to arrive at a form of market operation for pilotage is causing delays in the progress of the dossier.

Member Association Report — NORWAY

Association: *Norwegian Shipbrokers' Association*

Membership: 139

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Membership

The reduction of members that we have seen the last years has levelled out, mainly due to an active recruitment campaign undertaken by the local association in Bergen.

Meetings

We have arranged two meetings the past 12 months. The annual "Stjørdalseminar" is primarily a meeting for those members involved in coastal and short sea. Presentations during the meeting included an official from the Ministry of Industry and Trade on "The future for Norwegian coast- and short sea trade" as well as an orientation regarding the TutorShip program we will launch in Norway this autumn.

Our annual meeting was held in Bergen in May with assistance from the local branch office. During the meeting a new President, Mr. Harald B. Sander, was elected. The meeting was a success, both in terms of venue as well as the meeting, seminar and social activities. Last year the government appointed a committee to evaluate the tax situation for shipowners and one member of this committee held a presentation of his (and the majority of the committee's) opinion. The President in the Norwegian Shipowners Association presented another, in our opinion more realistic view. The shipbrokers fully supported him and we had a good debate.

Activities

We continue to enjoy a good co-operation with other maritime organisations. Maritimt Forum, the umbrella organisation for maritime companies and organisations, is very important in this respect. Working through this organisation means a better chance for our views to be heard. We have participated in hearings in connection with the annual government budget proposal and appeared before the parliament committees on trade/industry and transportation. We also sent the authorities our comments on the Committee Report on the Tax Situation for Shipowners. The Norwegian Shipbrokers' Association is represented on the board of Shortsea Promotion Centre Norway. Our members use the association to get help and advice in various matters of a professional nature, and they are entitled to a free consultancy from our legal consultant in matters that are relevant to their activity as brokers/agents. We further assist our members in trying to obtain favourable conditions for various supplies.

Norwegian shipping

After several years of decrease in the Norwegian foreign-going fleet, the fleet has shown an increase. In April 2006 the fleet totalled 38.7 million dwt. This was an increase of 0.6 million dwt. since January 2006. During the first quarter of 2006 the number of ships in the Norwegian fleet increased by 39 to a total of 1.681. Since January 2005 the fleet has increased by 67 ships. Over the past few years there has been an increased concentration on offshore service vessels, and this trend continued in the first quarter of 2006 with an increase of 5 ships. The value of the foreign-going fleet of ships, in US\$, has increased by 5% during the second half of 2005 from past year. At the start of 2006 it was US\$ 24.7 billion. In terms of value, offshore vessels account for the largest share of the foreign-going fleet – 22.6%

Building orders of ships for Norwegian account increased by 35 during the first quarter of 2006 to 247. Since the beginning of 2005 the increase is 66%. Norwegian yards accounted for the largest number of vessels on order, with 72 ships. This is an increase by 13 since January 2006. At the beginning of 2005 the Norwegian yards were ranked second with only 32 ships. In April 2006 South Korea ranked second with 38 ships and China were in the third position with 31 ships. Japan will deliver 29 ships and India 14.

Member Association Report — POLAND

Association: *The Polish Shipbrokers' Association*

Membership: 23

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The Polish Shipbrokers' Association was re-established at Gdynia in 1992 and since 1999 our organization has been a member of FONASBA. At present our membership totals is 23, of which 13 members are from the Szczecin/Swinoujście region and 10 members from Gdynia/Gdańsk. This number is slightly down compared to previous years but we expect new companies to join in the near future.

Our general task is to provide assistance to the members in solving problems relating to their daily activities as well as in contacts with local authorities and port management. To carry out these activities we have 2 independent secretaries – in Gdynia and Szczecin which are additionally responsible for daily contact with members and other administrative tasks.

Our last Annual General Meeting was held in Gdynia on March 29th 2006 and mainly concentrated on the topics relating to our daily activities in the Polish shipping industry. During this meeting the new President of Council of PZMO, Mr. Jacek Pieniżek, Managing Director of Fast Baltic Ltd. Szczecin, was elected.

Apart from General meeting we are holding regular, local meetings in Gdynia and Szczecin, the frequency of which depends on actual needs of our members as well as on problems being faced in daily work.

Activities of The Polish Shipbrokers' Association in 2005-2006

In general Polish shipbrokers and agents have been working in similar market conditions as compared to previous years. Basically this is characterized as a very competitive market with a large number of numerous companies serving the ship operators calling at Polish ports.

As a very positive element we noted some increase in port handlings – mainly in container traffic in Gdynia and Gdańsk. Unfortunately pressure on freight rates continues – in fact the rates are more or less on similar level despite increase in operational costs. The other problem, very characteristic for Poland, is an unstable law and administrative rules, creating difficulties in daily operational work and cost control.

During last year our organization was dealing with numerous issues related to general activities of its members on the Polish market. In particular we have worked over the following problems:

- Implementation and distributing a new tariff for agency services in Polish ports. The tariff came into force with effect from 01.01.2006
- Negotiations with the Port of Gdańsk concerning calculation of charges for pilotage services rendered in Gdańsk
- Continuation of work on definition of general terms of shipbrokers/shipagents activities in Poland
- Changes in custom clearance practice in respect of container traffic from Polish ports in relation with new custom declaration system
- Organizing regular meetings of our members to exchange view on financial aspects – invoicing, taxation, book-keeping problems

The above mentioned activities have been being dealt with on regular basis and require a very active approach on our part on basis of constant talks to numerous parties and state agencies involved in shipping business in Poland.

Member Association Report — PORTUGAL

Association: *Associação dos Agents de Navegação de Portugal (AGEPOR)*

Membership: 102

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As the National Association of the Portuguese Ship Agents, AGEPOR represents member companies in all commercial Portuguese ports, including those in Madeira and the Azores.

With almost one hundred members and playing an important role within the shipping community, AGEPOR is very active in protecting and continuously promoting the interests of the ship agency profession both in Portugal and internationally, ensuring a high profile for the profession.

In Portugal AGEPOR has been recognized by all Governmental bodies not only as a valuable interlocutor for all matters relating directly and indirectly to the shipping industry, but also as an advisor, and even more important as a partner for some of the specific national projects included in the Strategic Development Plan in Portugal for this sector area. In this sense AGEPOR is helping to build a computer network system involving the various entities in Lisbon, Leixões and Sines.

Also the role AGEPOR is playing within the Portuguese Shortsea Promotion Centre, holding the Presidency and Secretariat entitles the Association to be one of the major experts of SSS in Portugal and a preferential partner/interlocutor in the development of the national policies towards the sustainable transport mobility.

Internationally AGEPOR is actively involved in all the activities of FONASBA/ECASBA being responsible for the Working Group of SSS and a member of the new created Liner working Group. AGEPOR is also representing Portugal in the committees of Maritime Transport and Transport and Logistics within the International Chamber of Commerce. Finally belonging to the European Shortsea Network, AGEPOR is already preparing its Presidency on the second half of 2007.

For many years education and training have been priority projects within the Portuguese agency industry and AGEPOR has been developing and providing both internal and external courses (with several Organizations) which are proving very successful within our membership.

Recognizing that politicians, the mainstream press and the public are still not aware of the importance and role of the shipping industries to the national economy, AGEPOR has been lobbying continuously for better recognition at all levels, of the vital contribution that the industry makes, especially to a peripheral country. To this end, AGEPOR organizes each year a seminar and invites opinion leaders from different areas to speak about the importance of the maritime activities in Portugal and how do they think it should be improved and optimized.

Finally AGEPOR is promoting professionalism and ethic principles within the ships agency industry in order to protect the interests of its members and also to guarantee their survival in the future.

Member Association Report — SLOVENIA

Association: *The Slovenian Ship & Freight Agents Assn.*

Membership: 24

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For the third consecutive quarter, gross fixed capital formation remains one of principle factors contributing to healthy economic growth in Slovenia. According to the national statistical office, year on year growth in this sector reached 8.7% in the second quarter, more than twice as high as in the same period last year. By far the largest recorded growth (17.1%) related to investment in transport equipment. By comparison, investment in “buildings and construction increased by 6.6% in real terms, of which investment in residential buildings rose by 10% for the seventh consecutive quarter. The influence of gross fixed capital formation on GDP growth would have been higher had inventory stocks not diminished, which offset robust investment activities. The decrease in inventory stocks reduced Slovenia’s economic growth by 0.5% to 4.9% in the second quarter.

On June 6th 2006, Slovenia adopted a “Transport Resolution of the Republic of Slovenia (Intermodality; Time for Synergy)”, which is based on the EU White Paper “European Transport Policy for 2010 — Time to Decide”.

Some changes in the Slovenian maritime laws have also been introduced, driven primarily by the need to incorporate EU directives into the judicial system.

In the shipping agency sector, the association is still awaiting a ruling on licensing ships agents and in preparation we have started developing procedures for granting formal recognition of ships agents as a profession. There remain, however, a number of bureaucratic obstacles to be overcome and we are still faced with a lack of understanding of our role in some sections of our regulatory authorities.

Established agents in Slovenia are also facing competition as a result of the growth of small agents, usually one-man bands, and of line owned agencies as well as so-called “logistics companies” all of which are now offering ships agency services in our area. Currently our association has 24 members and there are another 16 other shipping agencies in Slovenia that are not members. Competition in the industry is therefore very open and robust. Despite this however, the Slovenian competition authorities continue to press for some of our agency documents to be suspend as they are considered anti-competitive.

Member Association Report — SOUTH AFRICA

Association: *The Association of Ship Brokers & Agents of South Africa*

Membership: 124

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The members of ASABOSA cover all the major South African ports and also operate in Johannesburg, which is a major inland container clearance port. In its role as the official and recognised mouthpiece for the nation's ship broking and agency industries, the Association liaises on a regular basis with the South African government and maritime regulatory authorities, including the South African Ports Operations (SAPO), the National Ports Authority (NPA), the South African Maritime Safety Authority (SAMSA), and is closely involved in Black Economic Empowerment Forum initiatives. It also works closely with the South African branch of the Institute of Chartered Shipbrokers (ICS), on commercial issues and equally importantly, in training the increasing number of new entrants to our industry.

Current issues on which ASABOSA represents its member's views include:

- Investigating methods of re-attracting valuable bunker business, some of which has been lost to other ports, both near and far, due to varying reasons including high port charges, slow pipeline pumping rates, shortage of bunker barges, and congestion at some of the bunker berths, where liquid cargoes are also worked. Another major issue has been shortages of bunker fuel for various reasons, allied to annual shutdowns involving the main oil refineries. Discussions are constantly held between ASABOSA, port authorities, the oil industry and others to try and resolve these issues, which are ongoing, and developing in a positive manner.
- Reversing the loss of business to port authority drydocks, again due to high costs, but abetted by dockyard inadequacies, is being addressed, and Cape Town in particular has attracted some new business recently.
- Alleviating poor cargo working performance is a major issue, particularly at the bulk cargo port of Richards Bay, which issue is also being dealt with by the Association, and its sister organisation, the Association of Shipping Lines.
- Container handling problems, primarily at the main port of Durban, are addressed by the Associations, as well as port authorities, and liner principals, via a subsidiary of the Association of Shipping Lines, known as the Container Liners Operators Forum. All of these organisations meet regularly on an ongoing basis, and have resulted in far better handling performance, than in recent years.

Late last year the National Ports Authority revealed its proposals for port development, at all the main ports, but since issue of that paper, Government has intervened, and was not satisfied with targets forecast by the port authorities. There is much extra work going on now, with major developments to take place at the main ports of Durban, Saldanha Bay, Richards Bay, Cape Town, and the new port of Coega. It is expected that the new National Ports Plan will be made available towards the end of this year, or early next year, and that it is a much more ambitious plan than previously.

The Association is constantly involved in discussions with port authorities, at a very high level, and enjoys a good relationship with its senior executives, who realize the value of the Association.

Problems exist, however, but are constantly discussed, involving inefficiencies and poor performance by particularly Spoornet, the National Rail system, which used to carry much of the Republic's cargo from the hinterland to the ports, and visa versa, but is now suffering from road haulage competition to a major degree. Government has realised this, and is actively involved in massive capital expenditure, to revitalise the railroad system, and to try and attract cargo currently carried by road, back to rail.

ISPS was introduced last year at the main ports and apart from some small weaknesses, is working well and efficiently.

Member Association Report — SPAIN

Association: *Asociación Nacional de Empresas Estibadoras y Consignatarias de Buques*

Membership: 143

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Amongst the most important news for the Spanish ship agency sector, we have to highlight the approval of the Draft Bill on Sea Navigation by the Cabinet, the text which is now before the Spanish Parliament.

As far as formative activities are concerned, in the Port Barcelona several training and education courses have been organized for the agency staff working in the port. These include: courses on Shipping Business at basic and advanced levels; courses of maritime-commercial English and courses in Logistics and Foreign Trade.

The development of Short Sea Shipping has continued to be the subject of intense activity in the sector, with ANESCO, through the Spanish Association for Promotion of SSS, having participated in the VII National Round Table on SSS, organized by UNIPORT-BILBAO in February.

In March, the Association for Promotion of Port of Tarragona, with the cooperation of the local Association of Ship Agents, organized an Event on Motorways of the Sea.

In the field of graduate education, the Port Authority of Barcelona with the cooperation of Puertos del Estado and the Spanish Association for Promotion of SSS (of which ANESCO is a member) organized several workshops aboard the vessel AUTORITAS. The workshop held on March 18th was attended by pupils from four universities specializing in logistics: Foundation ICIL, the IESM Lluisa Cura, Abat Oliva University and La Salle University.

The workshop held on April 8 included pupils coming from the Spanish Maritime Institute, the Nautics School of Barcelona, the Master on Intermodal Transport of the Highway Engineers' School and the Naval Architects' School of Madrid.

On March 28, the Foundation Francisco Corell, Apetamcor, the Association of Transports of Orense and the Employers Federation of Orense organized an Event on "INTERMODALITY: Combining road transport, rail and short sea shipping". This event included submission of a report on The Motorways of the Sea and the future of SSS in Spain.

Later on, in May, in the Seminar on Motorways of the Sea organized by the Junta of Andalucía and the Conference of Peripheral and Maritime Regions of Europe, held in Seville, during which a report on: "Transport operators and factors for development of Motorways of the Sea in the ports of peripheral regions" was submitted.

Finally, amongst other events, we can highlight the participation of the above mentioned Association for Promotion of SSS in the Seminar on "Sea Transport, Freights and Conditions", organized by the Institute for Development of Region of Murcia and the Chamber of Commerce of Cartagena. Furthermore, the association has participated in an Event on Cargo Safety, organized by FEPORT and the Association itself, with the cooperation of the Port Authority of Castellón.

Member Association Report — SWEDEN

Association: *The Swedish Shipbrokers' Association*

Membership: 145

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Swedish shipping

The last year has been quite good for the Swedish shipping industry. The volume in Swedish ports once again reached all time high in 2005 and Parliament has decided to introduce a tonnage tax from January 1st 2007.

2006 is also the year when both the Swedish Shipowners' Association and the Swedish Ports are celebrating their first 100 years.

Education

Education is a further major action area for the Association and in 2005-06 we had 24 students, 15 studying for the Foundation Diploma and 9 for the Qualification Examination. This was a very satisfactory number. Together with ICS London we also had a one day course in Shipping Business for 12 paying participants. Such training and education programmes are the key for raising the profile of shipbrokers and have been effective for us.

Members' meetings

We have had two meetings the past year. 70 delegates attended the Association's autumn meeting in Gävle. The agenda included the Coast Guard and new customs rules in Sweden. We also had a wide-ranging discussion about how to improve the importance of port agents and a committee was formed to take the issue forward.

At the AGM in May, which was attended by 150 delegates, Michael Kjellberg was elected honorary member and three new members were elected to the board. The meeting was a great success and included a trip by steam boat to Marstrand the first hot summer day and a gala dinner at Gothenburg's most prestigious address, where the municipal commissioner, formerly a shipbroker, attended.

Maritime Administration and the Swedish Coast Guard

For the first time in many years, the Maritime Administration held both the pilot fees and fairway dues at the same level as the previous year. We had a very useful meeting with the Maritime Administration in January at which we discussed all our concerns about the shortage of pilots, efficiency within the pilot system and the fair level of fairways dues.

During the year the Swedish Coast Guard have caused a lot of problems for port agents with their zero-tolerance policy for the late submission of mandatory Schengen forms. They have reported a number of port agents to the police, and nearly 10 of them have been fined. In all cases, however, the association has supported the agent in appealing against the fee and so far we have won all cases. The Association is still working hard on this issue, helped quite considerably by the EU which has introduced a new regulation stating that it is in order to submit the Schengen forms at any time before arriving the port; i.e. there is no need to require same at least 24 hours ahead of arrival.

Member Association Report — UNITED STATES OF AMERICA

Association: *The Association of Ship Brokers & Agents (USA) Inc.*

Membership: 169

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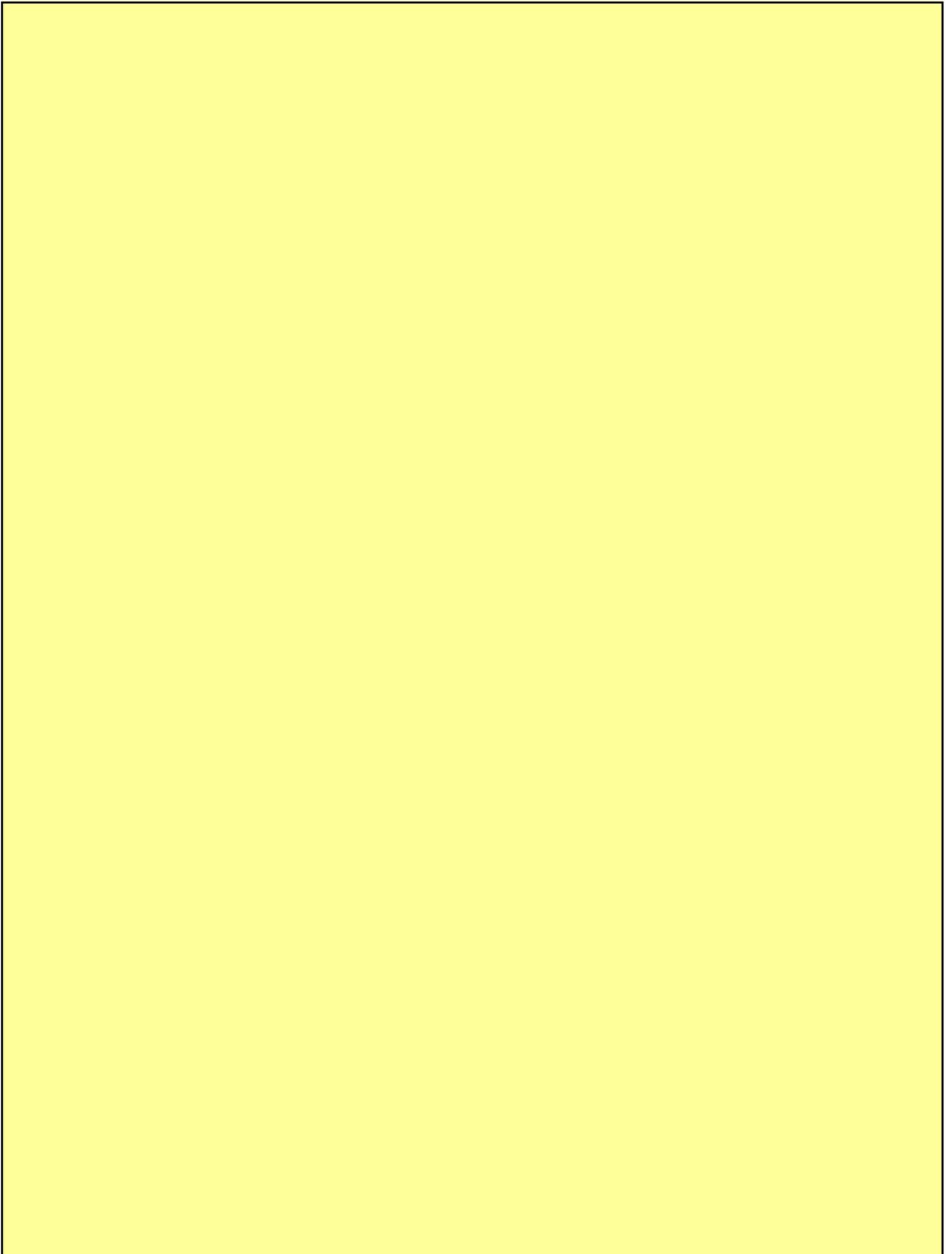


The Association of Ship Brokers & Agents (ASBA) was established in 1934 to advance and foster ideals and standards of personal and professional conduct and practices, to inculcate just and equitable principles among those engaged in the trade, to define customs of the business, to establish and maintain uniformity in commercial usages, to adjust controversies and misunderstandings, and to promote the common interests of those business establishments which are engaged in business as ship brokers and agents.

As reported last year, Agent Members of ASBA have completed the “Agent Member Certification” process by submitting to all components of the member approved Guidelines for Certification. All agent members are required to submit an annual “Agreed Upon Procedures Report” prepared by an external Certified Public Accountant that attests to proper handling of principal’s funds and that separate files are maintained by principal. Members must also submit proof of adequate insurance coverage with a minimum of liability coverage of \$1million per event. The final component of the certification process was completed in June of this year when all member boarding agents and their direct managers passed an entry level agency exam administered by ASBA. Approximately 500 agents successfully completed this exam which earned the ASBA Agent Member their certification and the privilege of including the “Certified Agent Member” logo on their letterhead and website. ASBA has begun the process of promoting the appointment of our agent members to the ship owner and brokerage communities. It should be noted that ASBA Certified Agent Members handled over 39,000 of the approximately 72,000 vessel calls in the US in 2004. All new agent members have up to 6 months to submit to all the requirements of the certification process.

Since 9/11, the maritime community has been inundated with new regulations implemented to better secure US borders. ASBA has worked along side US government agencies charged with this mission, meeting with and providing maritime industry concerns to those responsible for writing and implementing new regulations, namely the US Coast Guard and Customs and Border Protection. The ASBA Secretariat has acted as a conduit between ASBA members and USCG and CBP headquarters. This has been particularly important considering the recent implementation of new regulations like Automated Manifest System and Electronic Notice of Arrival/Departure for crew manifesting.

The ASBA Annual Cargo Conference, having just completed its third year, continues to grow in popularity. The conference committee works diligently to present a program with a broad range of speakers. Delegates enjoy the benefits afforded by the conference size, averaging just over 100 delegates, as well as sponsored social events which provide ample time to exchange views with the speakers and other delegates.



For further information on FONASBA,
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