

**MINUTES OF THE
LINER & PORT AGENCY COMMITTEE
PLENARY MEETING HELD AT
HOTEL MILENIJ, OPATIJA
AT 9.00 a.m. ON THURSDAY, OCTOBER 16th 2008**

Present:

Mr. C. Génibrel	Chairman
Mr. M. Froio	President FONASBA
Mr. M.S.B. Duin	Vice Chairman

In Attendance:

Mr. J.C. Williams FICS	General Manager
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Mr. R. Garcia Piñiero	Argentina	Mr. E. Itoh	Japan
Mr. P. Campbell	Argentina	Mr. K. Nakaue	Japan
Mr. J. Dulce	Argentina	Mr. M. Andrade	Mexico
Mr. G. Hernandez	Argentina	Mr. F. Bracamontes	Mexico
Mr. P. Marassi	Argentina	Mr. J. Vega	Mexico
Mr. J. Hunter	Belgium	Mr. V. Banovic	Montenegro
Mr. G. Gordon Findlay	Brazil	Mr. A. El Glaoui	Morocco
Mr. L. Oliviera	Brazil	Mr. A. Mantrach	Morocco
Mr. W. Rocha Junior	Brazil	Mr. J.W. van der Huel	Netherlands
Mr. N. Hristov	Bulgaria	Mrs. G.C. Noer	Norway
Mr. M. Tudor	Croatia	Mr. K.F. Eriksen	Norway
Mr. C. Papavassiliou	Cyprus	Mr. J. Contreras	Peru
Mr. A. Houtved FICS	Denmark	Mr. A. Belmar da Costa	Portugal
Mr. T.D. Paulsen	Denmark	Mr. J. Azeredo	Portugal
Mr. G. J. Heinonen	Finland	Mr. E. Bandelj	Slovenia
Mr. E. Holma	Finland	Sñra. A. Martin	Spain
Mr. S. Lomberg	Finland	Mr. N. Warner	South Africa
Mr. K. Bültjer	Germany	Mrs. B. Blomqvist	Sweden
Mr. F. Naumann	Germany	Mrs. J. Cardona	USA
Mr. J. A. Foord FICS	Great Britain	Mrs. M. Collins	USA
Mr. P.J. Wood FICS	Great Britain	Mr. M. Ogle	USA
Mr. P. Demeter	Hungary	Mr. G. Knudsen	Intertanko
Mr. B. Szalma	Hungary	Mr. A. Jamieson	ITIC
Mr. M. Collins	Ireland	Observers	
Mr. R. Zuck	Israel	Mr. Z. Smokvina	Croatia
Ms. Cosma Cavallo	Italy	Mr. B. Turčić	Croatia
Mr. M. Gorgoni	Italy	Capt. J. Karmelić	Croatia
Mr. G. Scotto	Italy	Capt. M. Skufca	Croatia
Mr. G.E. Duci	Italy	Ms. A. Milinković	Croatia
Mr. V. Totorizzo	Italy	Mr. A. Muškardin	Croatia
Mr. N. Bezzi	Italy	Mr. J. Srzentić	Croatia
Mr. A. Guadalupi	Italy	Mr. M. Glavan	Croatia
Mr. T. Iigaki	Japan		

Item

1. President's Welcome, Chairman's Opening Address

Action

The **President** welcomed all those present, mentioning especially the guests from the Association of Shipbrokers and Agents of Croatia, before handing the meeting over the **Chairman**, who also specifically welcomed Mrs. Martin, attending her first FONASBA Annual Meeting.

2. Minutes of the Last Meeting held Buenos Aires, October 11th 2007

With no comments having been received previously or made at the meeting, the minutes **were approved.**

3. Matters Arising

The **General Manager** advised that the revised summary of remuneration headings for liner agency had not been undertaken. It was therefore agreed this project would be given to the Liner Working Group for action.

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4. Range Committee Reports

Written reports from CIANAM and the Far East Range Committees had been circulated in advance and the following points were emphasised:

CIANAM – **Mr. Campbell** drew the attention of the meeting to:

- action undertaken recently by APAM in Peru, supported by CIANAM, in preventing the establishment of a monopoly situation in Peruvian ports
- the possibility of Honduras and Costa Rica joining the association
- the granting of the FONASBA Quality Standard to Centro de Navegacion

and he confirmed that all member associations were working well.

Far East – **Mr. Iigaki** summarised his report.

Nordic – **Mrs. Blomqvist** advised that the report of the committee's recent meeting in Gothenburg would be circulated with the minutes (*copy attached*).

The MABSA Range Committee had met the previous day (October 15th) and **Mr. Bandelj** said a written report would be circulated with the minutes (*copy attached*). In advance, however, he said that the meeting had been very well-attended, the discussions had been active and the topics covered had included the FONASBA Quality Standard and the impact of the DA-Desk and concluded with a presentation by Francois Le Bars on the Mare Nostrum initiative which provides an electronic communications platform for ports and airports in the western Mediterranean. **Mr. Bandelj** said that MABSA had fully supported the initiative, which was already in use in the main French ports. The **Chairman** added that he would make further information on the initiative available to ECASBA members in due course.

He also suggested that another MABSA meeting could be included in the programme for the ECASBA Brussels seminar. The **Chairman** said that he would pass the suggestion on to the Chairman of ECASBA for consideration.

The **Chairman** then invited **Mrs. Cardona** to report on developments in the US. She said a summary would be provided to the Secretariat for circulation with the minutes (*copy attached*) but for the meeting summarised a number of issues as follows:

- Customs & Border Protection had submitted a report on 100% Scanning to Congress, in which it advocated moving to a layered risk-assessment based system, claiming that the proposed 100% scanning will neither provide 100% security, nor address transshipment issues.
- 100% scanning is also running into technical and legal problems, the latter relating particularly to sovereignty issues - all of which FONASBA has pointed out on a number of occasions.
- the US Coast Guard is introducing a programme of “respectful professionalism” towards foreign seafarers and
- ASBA is involved in discussions on a draft bill aimed at introducing some form of licensing of ship agents. FONASBA's support would be requested at the appropriate time

The **Chairman** thanked all the Range Committees for their contributions to the work of the Federation at all levels.

5. Working Group Reports

For the Port & Tanker Agency Working Group, **Mr. Knudsen** reminded the meeting of the members of his Group and of its involvement with the development of the FONASBA Quality Standard, a role which, he said, also complimented the Federation's contribution to INTERTANKO's Poseidon Challenge. With the Quality Standard now operational, the Group needed further issues to work on. He also said that it was his intention to hold a short meeting of the Group members at all future FONASBA meetings. A copy of his report is attached to these minutes

For the Liner Agency WG, **Mr. Foord** concurred with **Mr. Knudsen** and called upon the associations present to make use of his group, asking for suggestions for future action to be sent to him via the Secretariat. He also said he would liaise with the **General Manager** on the revised list of liner agents remuneration headings referred to under agenda item 3. Further, he invited member associations to nominate volunteers to join the group.

The **Chairman** thanked **Mr. Knudsen** and **Mr. Foord** for their reports and reiterated the request for issues to be nominated to the groups for further action.

6. DA-DESK, Threat or Benefit?

The **General Manager** outlined the background to the current debate, including requests from some members for FONASBA to look into the organisation and its expected impact on the agency community. He said that he had both met with DA-Desk directly and also attended their presentation at the ITIC Seminar. Additionally, ASBA had also entered into a separate dialogue with the organisation and **Mrs. Cardona** outlined their views. From the ensuing discussion it was clear that there were a number of concerns from within the agency sector, including:

- the implications – legal and otherwise – of having another, unrelated, party in the communication chain (and indeed the chain of responsibility) between the agent and his principal
- the additional work created by the need to explain to the DA-Desk staff issues already discussed and agreed between the agent and the principal
- the potential use for its own purposes of information collected on agents by DA-Desk
- the possibility of other, similar operations starting up in the future
- the possibility of DA-Desk expanding its operations into the agency field

It agreed that DA-Desk is now a permanent feature of the agency industry and therefore that FONASBA must acknowledge its existence, but at the same time must protect the interests of its members on this issue. The **General Manager** said that DA-Desk had indicated a willingness to discuss the Federation's concerns, acknowledging that to date it had been too focussed on building up its client base to look to closely at the impact on agents. Accordingly it was proposed that the **General Manager** take the views of the meeting forward in further discussions with DA-Desk. Following a discussion, however, it was agreed to establish a Task Force, led by **Mr. Gordon Findlay**, to gather the views of the membership overall and then to discuss them with DA-Desk at a suitable time in the future. Volunteers to join the Task Force were asked to contact Mr. Gordon Findlay via the Secretariat. The **General Manager** was therefore instructed **not to undertake any further discussions with DA-Desk until the Task Force had completed its deliberations.**

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Assns.

On the legal implications of the DA-Desk operation on the accepted rules governing the agent/principal relationship, **Mr. Jamieson** said that ITIC would be interested to review and comment on any written instructions from principals to agents requiring the agent use DA-Desk and **member associations were recommended** to send copies of such instructions to **Mr. Jamieson via the Secretariat.**

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7. FONASBA Quality Standard

The **General Manager** updated members on the current state of the project, advising that the UK and US had already accredited most of their major agency members, that just prior to the meeting Argentina had accredited its first two companies and Slovenia were to be congratulated on becoming the latest association to have its quality criteria approved by the Executive Committee. He also reported that the informal Secretaries Meeting, held on Wednesday October 15th, had been devoted exclusively to a discussion on the Standard, covering the work required to be undertaken by the association, the procedures pre- and post- application and approval of criteria and of any other issues raised. He reported that in addition to those companies already accredited, a number of others were in the process of drafting proposed criteria.

In closing he said that the project had gained a significant amount of support from external organisations, citing INTERTANKO, Intercargo and ITIC, as well as very favourable press coverage and so it was now up to all FONASBA associations to support the initiative from within.

8. European Action on Liner Conferences and Pools

The **General Manager** began by briefly reminding those present of the removal on October 18th of the block exemptions for liner conferences under European legislation and the consequent increased interest in the maritime sector by the European competition authorities. The meeting then briefly discussed the impact this would have on the agency and broking sectors, following which it was agreed that most agents for shipping lines – who, for the purposes of this legislation and irrespective of their direct relationship, were considered to be part of the line – would have already received instructions as to how to carry on their business. Copies of the Commission guidelines had been sent to all associations in May with the request they be circulated to member companies and it was therefore assumed this issue had, to a large extent, now been resolved. *(Copy of an article from the October BIMCO Bulletin – reproduced with grateful thanks to BIMCO – on the implications for liner and tramp services is attached for info).*

Of considerably greater concern to the meeting itself was the likely impact of the legislation on FONASBA and its member associations in Europe. The lifting of the block exemption on October 18th had also raised awareness of the prohibition – already enshrined in European competition law – on trade associations and other similar bodies discussing any active information on pricing, market share and similar subjects and as a result associations needed to take action as soon as possible to introduce an anti-trust and competition law compliance regime. The matter had been further complicated, he said, by the decision of the European Commission to consider former conference organisations as “trade associations”, thus inviting closer scrutiny of bona-fide trade associations such as FONASBA and its members.

As a result, all trade associations are now being encouraged to develop guidelines and policy statements in relation to their activities, and to guard against any action that may be construed, directly or as a result of the law of unintended consequences, as being contrary to the requirements of compliance with EU or other national anti-trust or competition law. He said FONASBA would be drawing up its own compliance guidelines, based on those developed by INTERTANKO and other industry organisations, and encouraged member associations do likewise in their own particular context. The FONASBA guidelines would be circulated to all member associations once completed and approved. The **General Manager** said the FONASBA guidelines **would apply to member associations at such times as they are participating in FONASBA activities** but at the same time member associations should also ensure their own individual actions are also covered. Legal advice should be sought if thought appropriate. There was a degree of panic within trade associations at present over the implications of the regulations but a considered and realistic approach was urged.

Mr. Garcia Piñero said that Centro de Navegacion had attended a seminar recently at which this issue had been discussed and he offered to make a translation available for circulation. This offer was gratefully accepted. *(Copy to follow).*

9. Ship-Generated Waste Disposal

The **General Manager** updated the meeting on the actions currently being undertaken within the IMO Port Reception Facilities Correspondence Group, including the development of a Guide to Best Practice for Ship-Generated Wastes. He said that FONASBA was a member of the correspondence group but to date the issues being discussed were of a highly technical nature, primarily related to the nature and disposal of the various types of wastes and so its contribution had been minimal. The role of FONASBA would, however, increase when the issues of implementation of any draft proposals within the port environment were discussed.

10. Member Issues

No issues had been put forward for discussion.

11. Date and Place of Next Meeting

The **Chairman** advised the next meeting would be held in Cape Town, South Africa as part of the 2009 Annual Meeting.

As he was stepping down from the Chairmanship of the Committee at the Council Meeting, he took the opportunity to thank his Vice-Chairman, **Mr. Duin**, and colleagues for their support during his term of office. He then pledged his support to the incoming Chairman and wished him well.

There being no further business to discuss, the Chairman brought the meeting to a close.

JCW/11.2008