

**MINUTES OF THE  
LINER & PORT AGENCY COMMITTEE  
PLENARY MEETING HELD AT  
TABLE BAY HOTEL CAPE TOWN  
AT 2.00 p.m. ON THURSDAY, OCTOBER 8<sup>th</sup> 2009**

**Present:**

Mr. G. Gordon Findlay	Chairman
Mr. T.D. Paulsen	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 Piñero	Argentina	Mr. R. Zuck	Israel
Mr. P. Campbell	Argentina	Mr. U. Masucci	Italy
Mr. J. Dulce	Argentina	Ms. C. Cavallo	Italy
Mr. G. Hernandez	Argentina	Mr. V. Totorizzo	Italy
Mr. M. Phillips	Australia	Mr. G.E. Duci	Italy
Mr. L. Russell	Australia	Mr. M. Gorgoni	Italy
Mr. J. Hunter	Belgium	Mr. T. Iigaki	Japan
Mr. X van Engelen	Belgium	Ms. T. Nomura	Japan
Mr. M.J.L. Froio	Brazil	Mr. A. Mantrach	Morocco
Mr. L. Oliviera da Silva	Brazil	Mr. S. Ahardan	Morocco
Mr. A. Zanin de Oliviera	Brazil	Mr. J.W. van der Huel	Netherlands
Mr. W. Rocha Junior	Brazil	Mr. G. Wastell	Netherlands
Mr. J.C. Gomes	Brazil	Mr. K.F. Eriksen	Norway
Mr. E. Adamczyk	Brazil	Mr. A. Tablizo	Philippines
Mr. J.E. Lopes	Brazil	Mr. A. Belmar da Costa	Portugal
Mr. N. Hristov	Bulgaria	Mr. E. Bandelj	Slovenia
Capt. J. Karmelić	Croatia	Mr. P. Scannell	South Africa
Mr. C. Papavassiliou	Cyprus	Mr. G. Stevenson	South Africa
Mr. E. Kouzapas	Cyprus	Ms. T. Tsautse	South Africa
Mr. A. Houtved FICS	Denmark	Mr. A. Botha	South Africa
Mr. G.J. Heinonen	Finland	Sñr. J. Fernandez	Spain
Mr. E. Holma	Finland	Mrs. B. Blomqvist	Sweden
Mr. S. Lomberg	Finland	Mrs. M. Collins	USA
Mr. C. Génibrel	France	Mrs. J. Cardona	USA
Mr. J. A. Foord FICS	Great Britain	Mr. M. Ogle	USA
Mr. B.J. Stokes FICS	Great Britain	Mr. S. Larsen	BIMCO
Mr. P.J. Wood FICS	Great Britain	Mr. A. Jamieson	ITIC
Mr. B. Szalma	Hungary	Mr. G. Wramfelt MICS	Shipbrokers' Register

**Item**

**Action**

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

The **President** welcomed all those present to this Plenary meeting and congratulated the **Chairman** on an interesting and varied agenda. The **Chairman** added his welcome, and thanked all delegates, as well as his Vice Chairman **Mr. Duin**, the coordinators of the two L&PA working groups, messrs. **Foord** and **Knudsen**, and the members of the range committees for their support during his first year in office.

**2. Minutes of the Last Meeting held Opatija, October 16<sup>th</sup> 2008**

With no comments having been received, the minutes **were approved**.

**3. Matters Arising**

None.

#### 4. Range Committee Reports

Representatives of each of the range committees gave a verbal report or a presentation on the work of the Committee. Copies of the reports/presentations provided by **Mr. Campbell** (CIANAM), **Mr. Iigaki/Ms. Nomura** (Far East) and **Mr. Eriksen** (Nordic) are attached.

The MABSA Range Committee, represented by nine associations, had met earlier during the Annual Meeting and **Mr. Bandelj** summarised the issues discussed as follows:

- The committee would like FONASBA to develop closer links with the Mediterranean Union – an organisation established by President Sarkozy of France to bring the countries bordering the Mediterranean together to “lay the foundations of a political, economic and cultural union founded on the principles of strict equality” ([http://en.wikipedia.org/wiki/Union\\_for\\_the\\_Mediterranean](http://en.wikipedia.org/wiki/Union_for_the_Mediterranean)) – in order to foster links between FONASBA and colleague (currently non-member) associations in the region
- The committee also discussed the need to reduce paperwork in the agency process and therefore fully supported the European “single-window” initiative but were sceptical about any short term progress, citing resistance from national authorities
- In some MS the authorities were refusing to accept IMO-FAL documents in languages other than the native language of the state concerned
- The issue of the agent being held liable for discrepancies in cargo documentation continues to give cause for concern in a number of Member States in the region
- The European short sea schemes should be extended to non-EU Member States, particularly around the Mediterranean

In reply, the **General Manager** reminded the meeting of ECASBA’s actions in relation to getting the agent recognised as the port “single window” and in raising the issue of customs actions against agents. With regard to accepting IMO-FAL documents on non-native languages, he said use of the standardised forms was designed to avoid any language issues and suggested that the problems being raised were perhaps more to do with intransigence on the part of the authorities than any practical issues. With regard to the Mediterranean Union, he said he would check and revert.

JCW

#### 5. Working Group Reports

As **Mr. Knudsen** was unable to attend the meeting, his Port & Tanker Agency Working Group Report had been circulated in advance. With regard to customs actions against agents, it was agreed to circulate all member associations to ascertain the spread of these practices.

JCW

**Mr. Foord**’s Liner Agency Working Group report had also been circulated in advance and he briefly summarised the main points including:

- The significantly increased pressure on liner agents due to the collapse of the market
- A number of high-profile lines seeking state support for their operations
- Lines looking to shed non-core assets to reduce losses, currently estimated at US\$ 4bn for the major lines
- In-house agency costs are estimated to be in the region of twice those of independent agents so the current market conditions could also provide as useful opportunity for independent agents to pick up work as lines shed peripheral activities and retract to their core business

The **Chairman** thanked both coordinators for their actions over the past year and reminded all those present that both groups would welcome new members.

#### 8. IMO Port Waste Reception Facilities Update

With discussion of items 6 and 7 expected to be prolonged, the **Chairman** asked that this item be brought forward.

The **General Manager** updated the meeting on the work of the IMO Port Reception Facilities Working Group and also on the efforts to revise MARPOL Annex V. He said that he had suggested on a number of occasions that from a number of practical considerations the review endeavour to separate cargo residues from normal ships husbandry waste (garbage). He had offered to provide the WG coordinator with evidence to support the contention that these two items should not be linked and FONASBA member associations were asked to assist in this respect.

Assns.

## 6. DA-Desk

The **Chairman** summarised the actions undertaken by FONASBA in the wake of the articles, and more specifically the comments attributed to DA-Desk, in “Tradewinds” and “Fairplay”. The **President** said that following his response to the letter in Fairplay (circulated to all associations), DA-Desk Director Jens Lourens Poulsen (JLP) had made contact and a meeting had taken place in Copenhagen. JLP claimed that on both occasions reported in “Tradewinds” and “Fairplay”, he had been misquoted and denied that he was trying to denigrate the excellent work undertaken by FONASBA members.

The **Chairman** thanked the **President** for his report and then suggested the meeting discuss the following topics:

- How effective had FONASBA’s present actions been and what, if anything, further need be done?
- Should FONASBA cooperate with DA-Desk and if so, how and to what extent?
- What future actions should be considered?

On the first point, **Mr. Stokes** read out the text of a letter that ICS had written to JLP, which expressed the Institute’s considerable disquiet at the unwarranted criticisms of the agency sector he had made in his previous two articles and asking for a retraction of same. Although JLP had so far not responded on the retraction, he had offered to meet with **Mr. Stokes** and ICS to discuss the issues further. **Mr. Stokes** said he would keep the committee advised. **Mr. Foord** reminded the meeting that following publication of the FONASBA letter, associations had been asked to write separately to DA-Desk to express their concerns about the way that their members had been portrayed. To date only the UK and the US had reported having done so.

**Mr. Ogle** said that ASBA had drafted a set of acceptance terms for its members to use when working with DA-Desk. He also said it was vital that FONASBA continued to take action to protect the agency community from the unfounded and inaccurate impression being given by DA-Desk in its public statements. Evidence that ASBA had seen indicated that in spite of approving agents’ disbursements accounts, DA-Desk were regularly underfunding the agent at all stages of the port call. **Mrs. Cardona** added that DA-Desk would refuse to accept any charges billed on the agent’s own letterhead, even if they had previously been agreed between the agent and the principal. This, she said, was tantamount to DA-Desk unilaterally renegotiating the agreement between the agent and the owner. Furthermore, ASBA was aware that DA-Desk were in the process of developing key performance indicators for agents, based solely on the efficiency of their payment processes. Not only did this not reflect issues such as late receipt of invoices from supplies, it was also based on a very small part of the agent’s overall performance when the vessel was in port. Agents should therefore reject any suggestion that such skewed performance indicators should be used.

With regard to further action, it was proposed that FONASBA should press DA-Desk for a retraction of the unjustified comments it had made about the agency industry. This suggestion proved highly contentious and following a short but vigorous discussion, it was agreed to take a vote. On a show of hands, a motion that **FONASBA demands DA-Desk issues, in the mainstream press, a retraction of the inaccurate and unjustified comments it had made about the global agency industry, was overturned by a majority decision.**

Concluding the first point, the **Chairman** said that by its carefully drafted letter, FONASBA had gained the high ground in the press – and with JLP having stated DA-Desk would not be making any further public statements – FONASBA would do likewise, albeit retaining the possibility of reacting appropriately to any further provocation from DA-Desk. **Assns.** did, however, urge associations (other than ICS and ASBA) to write to DA-Desk privately as this would maintain the pressure on the organisation and prove both the depth of feeling within the membership and the solidarity amongst its members.

On the issue of cooperation with DA-Desk, it was agreed that the organisation would be a feature of the agency sector for the medium term at least and so agents would have to work with DA-Desk, if for no other reason that to continue to carry out the wishes of their principals.

Before the press campaign by DA-Desk, FONASBA had offered to actively engage with the organisation to assist it to better tune its processes etc., but it was agreed that following the earlier actions, FONASBA should no longer contemplate doing so.

Turning to the question of FONASBA's future actions, it was agreed that a significant number of shipowners/operators use DA-Desk because it saved them money and many are reported to be satisfied with the service they receive. As a result, simply attacking DA-Desk at every opportunity would eventually prove counter-productive and so another approach was required. A number of delegates, including **Mr. van der Huel** and **Mr. Wastell** said that it was vital that the agent maintained a close, attentive and professional working relationship with its principals, ensuring good lines of communication to ensure that their principals are fully aware of the scope and value of the service provided, particularly as DA-Desk will try to find and exploit any discontentment between the agent and the principal. **Mr. Stokes** agreed, saying that the many of the resources needed to combat the growing threat of DA-Desk were at the disposal of the agent, supported by FONASBA. The **General Manager** reminded the meeting that whilst the savings generated by DA-Desk over a port call could only ever be marginal, a professional agent – using good local contacts – could save the principal considerably more, for example by the use of appropriate overtime to have the vessel complete and sail earlier than expected or by ensuring all documentation is completed and filed in good time, thus avoiding delays and possible fines. All these issues should regularly be brought to the attention of the principals, as should the fact that the DA-Desk function is only a small part of the overall port operation (*see item 7 below*).

Clearly FONASBA and ECASBA would raise the same points at every opportunity during its discussions with other maritime bodies, international organisations and similar but ultimately the success or failure of an agent depended almost exclusively on its ability to service the requirements of its principals.

#### 7. **L&PA Port Procedures Survey**

The **Chairman** introduced the port procedures survey and explained the reasons behind its development, the outcome it seeks achieve and the need for all associations to support the initiative by completed and returning the survey. In terms of the anticipated outcome of the exercise, he said it would assist individual companies in proving to their principals the scope and complexity of the tasks they carry out during a port call and how much value is provided by the agent in return for the fee charged. At national, regional and international level it would again assist in providing tangible evidence of the value of the agency industry and also prove that port procedures are not consistent across countries, regions or globally and this lack of consistency is adding unnecessary cost and complexity to the task of international freight movements by water.

The **General Manager** also reminded delegates that none of the 150+ line items covered by the survey related to the funds management activities undertaken by DA-Desk, which both put their contribution to the port call into perspective and also gave agents another weapon to use against that organisation.

Closing the discussion, the **Chairman**, supported by the **President** called on all associations to support the project and return survey forms for every port in their respective countries, starting with the major ports, both bulk and liner, and then moving down to the smallest.

**Assns.**

#### 9. **Member Issues**

As no issues had been raised in advance, the **Chairman** advised the meeting of the establishment of a Ship Agent's Day in Brazil, the first of which had been celebrated earlier this year. He said it had generated a lot of publicity for the industry, both in the specialist press and the mainstream media, and had significantly raised the profile of the industry in Brazil. He recommended other associations endeavour to do likewise.

#### 10. **Any Other Business**

**Mr. Wastell** reported that a number of countries – both within Europe and elsewhere – were not accepting electronic customs stamps, as issued by the Dutch authorities, amongst others. He said the World Customs Organisation was working on the issue of international exchange of

electronic customs data but suggested that FONASBA members should lobby their national customs authorities to expedite the process. The **Chairman** asked him to provide details to assist the L&PA committee to take the matter forward.

**GW**

**11. Date and Place of Next Meeting**

The **Chairman** advised that the next Plenary Meeting of the Chartering & Documentary Committee would take place in October 2010 in Varna, with the date to be confirmed in due course.

**There being no further business to discuss, the Chairman brought the meeting to a close.**  
**JCW/11.2009**