

**MINUTES OF THE
LINER & PORT AGENCY COMMITTEE
PLENARY MEETING HELD AT
MELIA GRAND HERMITAGE HOTEL, VARNA
AT 9.30 a.m. ON THURSDAY, 14th OCTOBER 2010**

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 Piñiero	Argentina	Mr. U. Masucci	Italy
Mr. J. Dulce	Argentina	Mr. G. Masucci	Italy
Mr. G. Hernandez	Argentina	Ms. C. Cavallo	Italy
Mr. L. Russell	Australia	Mr. V. Totorizzo	Italy
Mr. M.J.L. Froio	Brazil	Mr. G.E. Duci	Italy
Mr. L. Oliviera da Silva	Brazil	Mr. M. Gorgoni	Italy
Mr. W. Rocha Junior	Brazil	Ms. G. Reghellin MICS	Italy
Mr. R. von Söhsten	Brazil	Mr. T. Iigaki	Japan
Mr. N. Hristov	Bulgaria	Ms. T. Nomura	Japan
Mr. K. Angelov	Bulgaria	Mr. T. Saita	Japan
Mr. D. Chekelov	Bulgaria	Mr. M. A. Andrade	Mexico
Mr. D. Demirov	Bulgaria	Mr. J. Arriaga Vega	Mexico
Mr. R. Kirov	Bulgaria	Mr. J. Cutberto Parra Mendoza	Mexico
Mr. A. Marinov	Bulgaria	Mr. E. Pinzas Vidmar	Mexico
Mr. A. Andreev	Bulgaria	Mr. N. Banovic	Montenegro
Mr. O. Kostadinov	Bulgaria	Mr. A. Mantrach	Morocco
Mr. G. Minkov	Bulgaria	Mr. J.W. van der Heul	Netherlands
Mr. Qian Longjun	China	Mr. L. P. Storfjord	Norway
Ms. Xin Sun	China	Mr. K.F. Eriksen	Norway
Capt. J. Karmelić	Croatia	Mr. A. Belmar da Costa	Portugal
Mr. C. Papavassiliou	Cyprus	Mr. E. Bandelj	Slovenia
Mr. A. Houtved FICS	Denmark	Mr. N. Warner	South Africa
Mr. G.J. Heinonen	Finland	Sñr. J. Fernandez	Spain
Mr. J. Vikstrom	Finland	Mrs. B. Blomqvist	Sweden
Mr. S. Lomberg	Finland	Mr. B. Tonguc	Turkey
Mr. C. Génibrel	France	Mrs. M. Collins	USA
Mr. K. Bültjer	Germany	Mrs. J. Cardona	USA
Mr. J. A. Foord FICS	Great Britain	Mr. G. Knudsen	INTERTANKO
Mr. B.J. Stokes FICS	Great Britain	Mr. A. Jamieson	ITIC
Mr. P.J. Wood FICS	Great Britain	Observers	
Mr. P. Demeter	Hungary	Mr. K. Turkantos	Turkey
Mr. R. Zuck	Israel		

Item

Action

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

The **President** welcomed all those present to this Plenary meeting and extended a special welcome to **Mr. Qian** and **Ms. Sun** from CASA. 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 the previous year.

2. Minutes of the Last Meeting held Cape Town, October 8th 2009

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. Rocha** (CIANAM), **Mr. Iigaki/Ms. Nomura** (Far East) and **Mr. Lomborg** (Nordic) are attached.

For the first time ever, the MABSA Range Committee had met twice since the last Annual Meeting and a copy of the report on the meeting in Gijón (attended by six associations) in May is attached. The second meeting, attended by nine associations, took place the previous day, Wednesday, 13th October, and **Mr. Bandelj** summarised the issues discussed as follows:

- The Euro-Med group referred to the previous year was now playing a useful role in developing Motorways of the Sea in the Mediterranean and **Mr. Bandelj** had initiated discussion with MEP's from the region in order to promote the role of the MABSA members in the programme
- The committee also discussed issues that were of importance to FONASBA and ECASBA as a whole, including the impact of DA-Desk in the region, the current status of the Authorised Economic Operator regime and customs developments
- The initiative introduced in Croatia to recognise the "Best Agent" was seen as useful tool both to increase standards within the agency community and also to secure greater recognition of the role of the agent, for example thought press coverage etc., and so it was recommended that other FONASBA members initiate similar schemes locally. Such a scheme would also tie in well with increased recognition and adoption of the FONASBA Quality Standard

Assns.

The meeting then discussed a number of issues raised in the reports.

Mr. Masucci said he felt CIANAM could do more to encourage its members to join FONASBA and in order to assist in doing so suggested that CIANAM members could be invited to participate in future FONASBA meetings as observers. The **Chairman** said CIANAM would take this onboard for future meetings.

The meeting congratulated **Mr. Iigaki** on his ongoing actions to increase FONASBA's membership in the Asian region and on securing the application for membership from the Indonesian association.

A brief discussion also followed on the agent's liability for statutory charges. **Mr. Jamieson** said that as public finances worsened, national authorities were increasing their efforts to protect and enhance their income and this included expanding the range of charges for which agents were directly liable. He said such actions would also restrict the agent's ability to invoke the "as agents only" convention. **Mr. Russell** reported that some success had been achieved in Australia in preventing the expansion of the agent's liability but admitted that the authorities continued to press the case.

5. **DA-Desk**

The meeting began with a brief summary of FONASBA's actions in relation to DA-Desk. As part of this summary, **Mrs. Cardona** made a brief report on ASBA's recent contacts and **Mr. Stokes** summarised the meetings that took place between ICS Federation Council and the organisation in London.

It was agreed that the robust positions taken by FONASBA, ASBA, ICS and other member associations had left DA-Desk in no doubt as to the strength of feeling within the agency community in relation to their activities and indeed had contributed to a change in attitude by DA-Desk to FONASBA. The meeting therefore fully supported a continuation of this action.

A number of aspects of DA-Desk's operational actions – as opposed to the strategic issues referred to previously – continued to give cause for concern, however, and these included:

- Attempts to introduce agent profiling, a procedure based solely on the agent's ability to present DA's within specified times – with no reference to any other operational criteria
- The exclusion from DA-Desk's agent listings (used to provide a recommendation to principals) of any agent in a port that has not worked with DA-Desk – with the result that the information provided is inaccurate
- Concerns about the accuracy of other information held on agents by DA-Desk
- Ongoing problems with securing balances of funds
- The continued lack of knowledge, experience and professionalism still being demonstrated by DA-Desk staff

Looking to the future, it was agreed that:

- The agent must at all times maintain a close and professional working relationship with the principal as DA-Desk will seek to exploit any weaknesses therein
- Agents should endeavour to introduce either the ASBA clause (shown in the attached presentation) or a similar form of wording into their contracts in order to ensure that the principals were fully aware that the primary relationship was between themselves and the agent and by so doing...
- Recognise that DA-Desk is nothing more than a third party financial service provider
- FONASBA and member associations will continue to monitor the situation and report regularly on developments

Summarising the discussion, the **Chairman** said that FONASBA and the members had made progress in restricting DA-Desk's expansion into agency service provision and had made DA-Desk realise that the agency sector was prepared to fight to maintain its position but warned that the company would continue to push the boundaries of its activities and therefore FONASBA and the membership must not be complacent. He said DA-Desk was endeavouring to drive itself between the agent and the principal and would exploit any weaknesses it found. Promoting, enhancing and protecting the relationship was therefore paramount and if this can be maintained at the highest possible level of efficiency and professionalism then the ability of DA-Desk to expand its influence would be constrained.

He closed by reiterating that FONASBA would continue to maintain a close watch on DA-Desk's activities but in order for it to do so effectively it was vital that FONASBA be kept updated on any developments in Member States.

Assns.

6. **L&PA Agents Remuneration Survey**

The **Chairman** began by reminding delegates that this survey only seeks to inform members of the type of charges being levied by agents in Member States. **It does not seek to acquire, collate or distribute any information relating to the levels of any charges being levied, nor has it ever done so.**

He said that analysis of the figures showed that only a very small number of charges were being applied across all responding members and a large number were only applied in one or two states. It was agreed, however, that some of the latter charges could be listed elsewhere in the survey under other names and so a review of the data was recommended, with the aim of including as many charge categories as appropriate in the standard listings. He also suggested that on reflection a split into liner and non-liner categories, with the possible addition of a ro/ro category, would be beneficial.

Whilst the concept of the survey was broadly supported, concern was still expressed by some delegates in relation to possible anti-competition issues. The **Chairman** said he fully sympathised with those member associations that had concerns in this regard. Whilst FONASBA takes every effort to ensure that these issues do not arise, it was ultimately the decision of each individual association whether to participate in the survey or not. Those associations that were able to provide information, however, were encouraged to do so in as comprehensive a manner as possible.

8. **IMO "Single Window" Initiative**

In order to make best use of the available time, the **Chairman** elected to bring this item forward

and invited the **General Manager** to report. He advised that although action in IMO was currently focussed primarily on developing appropriate and relevant technical standards, the opportunity had been taken to introduce a paper on the role of the agent as port single window during the 36th meeting of IMO's FAL committee in September. The paper, copy attached, had been developed in cooperation with the FAL Secretariat and had been included in the official papers for the meeting. Although little comment was made by delegates at FAL 36, the **General Manager** said he felt the exercise had been useful both in promoting FONASBA within IMO and also reminding delegates of the role of the agent. He said that FONASBA would continue to participate in relevant committees, working and correspondence groups and meetings of IMO.

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

The **Chairman** introduced the latest version of the port procedures survey and explained the recently introduced modifications, the most important being the online updating facility and the context-driven drop down menus for additional information. The meeting then discussed the initiative in some detail, following which it was agreed that all national associations would have a six month period (January to June 2011) during which they could access the database via the Members' Area of the FONASBA website to check their current entries, update/expand same where appropriate as well as add new ports. Following completion of this updating process, the site would move to the public area of the website and thus be available for unrestricted access.

**GGF/
JCW**

It was reiterated that this initiative had huge potential to considerably enhance the profile and reputation of FONASBA but its success depended on extensive and fully detailed information on all the ports being provided by the national associations and the regular updating of that information as necessary. It was agreed that a suitable disclaimer protecting the association from claims for wrong information would be provided but clearly the greater the accuracy of the information on the site, the greater the usefulness of the project. **Mr. Belmar da Costa** reminded the meeting that the European Commission was very interested in gaining access to the information provided by the survey in order to advance its pan-European port procedure harmonisation project. It was appreciated that this would put a degree of pressure on some associations but it was felt that the overall benefits outweighed the increased workload.

A number of delegates congratulated the **Chairman** and FENAMAR for having undertaken this exercise and reiterated their support. **Mr. Qian** said CASA recognised that China was not yet represented in the survey and undertook to ensure that this omission would be rectified shortly.

Closing the discussion, the **Chairman**, supported by the **President**, once again called on all associations to support the project and provide the required information 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. **Demonstrating the Value of the Agent**

The meeting discussed a number of means by which FONASBA could better demonstrate to the wider maritime community, as well as intergovernmental agencies and governments, the significant value of an active, enthusiastic and above all professional agency industry. These included:

- Ensuring every association participates in, supports and utilises the Port Procedures Survey to its maximum extent and to making its existence known as widely as possible
- Maximising public exposure of the "agent as port single window" initiative
- Protecting the value of the agency function by endeavouring to secure adequate remuneration for the volume and complexity of the work done, and encourage the sector to end the self-destructive cycle of rate cutting including...
- Re-engaging fully with shipowners in order to ensure they appreciate the benefits of a professional agency service and realise this has to be remunerated at levels which are sustainable and allow for further development
- Publicising the increasing burden of responsibility on the entire shipping industry and the incumbent danger of using sub-standard agents chosen on the basis of cost not quality
- Encouraging every FONASBA association to adopt the Quality Standard and seek the widest possible support from their membership.

- Member associations encouraging all companies to ensure their staff undergo appropriate and relevant training and where possible gain professional qualification
- FONASBA continuing to work closely with IMO, the European Commission, other industry organisations and member associations to promote the agency function (on this point the **General Manager** was asked to make available to member associations the schematic diagram showing the agent as the centre of the port/vessel interface)
- Trying to develop national ship agents days in Member States, based on the excellent reception this received when introduced in Brazil and which continues to date
- Allowing non-members to participate in some FONASBA activities in order to further promote the Federation
- Enhancing relations with the maritime press, internationally, regionally and locally

JCW

In summing up, the **Chairman** thanked delegates for all the proposals put forward and said the Executive Committee would be taking same into consideration in developing FONASBA's forward strategy.

10. What can the Liner & Port Agency Committee do to Provide Real Added value to the Members?

Self-evidently this discussion carried on from the last agenda item and covered similar ground. One suggestion from **Mr. Karmelic** that was not raised in the previous discussion was to exchange views amongst members on agency best practice. In reply **Mrs. Cardona** said that this would be on the agenda for the Secretaries Meeting being held immediately after this meeting and it was anticipated a survey would be undertaken on this subject. **Mr. Papavassiliou** felt this was an excellent suggestion and asked that the results be circulated to all members.

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BB

11. Member Issues

No issues had been raised in advance but the **Chairman** thanked all delegates for the enthusiastic participation in the discussions that had taken place during the last two items, which he felt had given FONASBA a wealth of information to consider and take forward.

12. Any Other Business

No matters had been brought forward. The **Chairman** therefore took the opportunity to remind delegates that this was the last meeting for Port and Tanker Agency Working Group coordinator **Mr. Knudsen**, as he was retiring from INTERTANKO before Christmas, and **Mr. Bültjer**, who was retiring from the German association in early 2011. He therefore took the opportunity to thank both on behalf of FONASBA for all their commitment and input to the work of the L&PA, and indeed the Federation, and to wish them a long and happy retirement. **Mr. Knudsen** then made a short speech in which he expressed his thanks to FONASBA for a very enjoyable eleven years as INTERTANKO representative and added that having been involved with a number of organisations in his career he felt that FONASBA was unique in its ability to seamlessly combine work and the social elements and really was one big family. He said both he and his wife would miss participating in the Annual Meetings but wished the Federation and its members the very best for the future. He said that although the decision was not completely finalised, INTERTANKO was very close to nominating his successor as representative to FONASBA and if that individual was appointed then the relationship would continue in the same manner.

The **Chairman** thanked **Mr. Knudsen** for his comments which were greatly appreciated. He then thanked his colleagues on the committee, the Executive Committee and the **General Manager** for their support over the past year, and the delegates for an enthusiastic, vibrant, positive and very enjoyable meeting.

13. Date and Place of Next Meeting

The **Chairman** advised that the next Plenary Meeting of the Chartering & Documentary Committee would take place in October 2011 in Sydney, 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/12.2010