



Organisation:

Danish Shipbrokers' Association (DSA)
Amaliegade 33b
DK – 1256 Copenhagen

General Manager, Jesper Sebbelin FICS (from 1. March 2014)
Administration, Lisbeth Horsbøl Larsen (from 1. June 2014)

The membership stands at 86 Members and 47 Branch Members.

36 Members and 12 Branch Members are FONASBA certified.

The Economy of DSA ended the Fiscal Year 2013/2014 with 45% increase in the Associations Equity.

Cases:

The Schengen/Crew Transfer case finally materialised with rules and common procedures for the 12 Police Districts in Denmark. The so called “Transfer-ordning” was implemented on 1 June 2014 following a seminar hosted by the Danish National Police, in which members of DSA participated as well.

The “Transfer-ordning” allows crew changes without Visa. The crew member must have a valid passport and seamen book, further to duly completed form prior to the crew change to take place.

The rules put risks and expenses on crew changes on the agent in charge, and thus penalties may apply for non-conformance to the rules.

The Danish Tax Authority issued a recommendation in May 2014 due to which VAT is not anymore applicable to Port Dues when the vessel is in international trade. The Port must issue the invoice carrying the Vessels Name c/o the full style name and address of the agent.

We are currently dealing with a few cases where the Port is reluctant to invoice without the VAT, primarily because of their book keeping software.

The Ministry of Commerce decided to liberalise the Danish pilot service, which aims at ending DanPilot monopoly for pilotage of vessels en route Danish waters. Pilotage to Danish Ports is already provided by DanPilot as well as a number of private pilotage companies.

The new law was implemented on 1 July 2014 and has an impact on ports handling of less than 400.000 tons of freight goods per annum. The service conducted to such ports can only be guaranteed for 18 consecutive hours per day.

Education is paramount to our member employees, and DSA is thoroughly involved in the development of our national shipping education, organised by Rybners in Esbjerg.

At the recent held Graduation event in Copenhagen 48 shipping trainees received their exam papers and enjoyed a reception held at DSA premises.



DSA is responsible for the ICS - International Training Centre (ITC) in Copenhagen. The November Exams 2014 are open for registration in Copenhagen as well.

Sanitation Certificates can be issued in all Danish ports, however, the World Health Organisation (WHO) list of approved ports to issue Sanitation Certificates is limited to 11 Danish ports only.

We have raised the issue with the Ministry of Health, and have in our endeavours enjoyed support from the association Danish Ports as well as the national institution responsible for issuing the Sanitation Certificates.

The objective is to increase the number of Danish Ports listed in WHO's list, and DSA is expecting a reply from the Ministry of Health in due course.

Communication is important in order to reach the variety of stake-holders and DSA has implemented its company site in LinkedIn.

In addition, we are planning to implement a new website as well as a re-designed newsletter, which can be integrated with the new website. Furthermore, we are looking at how we can invent a web-blog strategy and further strengthen our communication efforts.

Future Events:

Our annual General Assembly, which this year also include a Gala Dinner, is held in September 2014 in Copenhagen.

DSA has signed up for the participation in FONASBA's Annual Meeting in Gothenburg.

The Danish Maritime Days and Danish Maritime Fair are inaugural events taking place from 6. – 10. October 2014 and aims at gathering the shipping industry in Denmark and to attract visitors from abroad. DSA is participating in a Broker event during the week.

DSA is to conduct Tutorship Exams in November 2014.

The Law covering Danish ports (Havneloven) is going to be evaluated during 2015, and the Ministry of Transportation has invited stake holders to pre-meetings this Autumn.

Country report Finland 2014

Population:	5, 3 million
GDP (US\$):	\$35,600 (2013 est.) per capita
Total Volume of Exports (US\$):	\$ \$75.7 billion (2013 est.)
Total Volume of Imports (US\$):	\$ \$70.67 billion (2013 est.)
Principal Commodities Imported:	foodstuffs, petroleum and petroleum products, chemicals, transport equipment, iron and steel, machinery, textile yarn and fabrics, grains
Principal Commodities Exported:	electrical and optical equipment, machinery, transport equipment, paper and pulp, chemicals, basic metals; timber

-Merchant marine

Total: 97

By type: bulk carrier 2, cargo 25, carrier 1, chemical tanker 6, container 3, passenger 5, passenger/cargo 16, petroleum tanker 5, roll on/roll off 31, vehicle carrier 3

foreign-owned: 5 (Cyprus 1, Estonia 2, Iceland 1, Sweden 1)

registered in other countries: 47 (Bahamas 8, Germany 3, Gibraltar 2, Malta 3, Netherlands 13, Panama 2, Sweden

- Membership

During 2013 we lost 5 members. One new member was gained in July this year and the total amount of members is now 55.

- Annual meeting

The Annual meeting was held in Helsinki, March 13th. Prior to the meeting a small seminar was held with presentations by representatives from Ministry of transport, Customs, Transport Agency and Federation of Finnish Forest industries.

The subsequent Dinner was attended by 50 delegates and guests.

- Economy of the association

Yet stable and as budgeted. The declining membership base is a cause of concern and caused need to increase the membership fee this year by Eur 25,-

-Economic outlook (Ministry of Finance review)

The world economy has shown some encouraging signs of late, although growth is still fragile and the situation varies quite considerably for different regions. However the world economic situation remains precarious and more sensitive than usual to negative shocks. This applies most particularly to the euro area, where economic growth is still very modest and where even relatively minor negative factors can easily cut down the incipient growth. Over time the turnaround of the world economy will also lead to a rebounding of the domestic economy.

Finnish GDP is expected to post growth of no more than 0.5% in 2014. The forecast includes the assumption of an economic turnaround, and the single biggest driver of economic growth is foreign trade. Private consumption will show no growth in 2014 because of the slow growth of real purchasing power, the subdued future outlook and the situation in the labour market. Private investment will continue to fall, and the rate of private investment to GDP will fall back to 15.4%. The unemployment rate will continue to edge up and the forecast for the average unemployment rate in 2014 is 8.4%. Employment will also be down by 0.3% from the year before. Productivity, measured in the number of hours worked, will develop quite slowly.

In 2015 GDP growth will pick up to 1.4%. This growth will be increasingly broadly-based, with public investment being the only demand item having a negative growth effect. Private consumption will rise by close to ½% as a result of improving future expectations. This will also have the effect of reducing the household savings rate. It is noteworthy that the rising trend in household debt ratio is stabilising at 119% of disposable income. It is forecast that private investment will turn around to show growth of 4.6%: this trend will mainly be driven by investment in machinery and equipment and investment in construction. Public investment will continue to fall. The situation in the labour market will continue to remain weak, and despite the slight improvement in economic activity the unemployment rate is expected to remain roughly unchanged at this year's level.

The general government budgetary position has been in deficit for five years now, and the same situation will continue in years 2014-2016. Following the past two years of recession, the relatively sluggish rate of economic growth will not be enough to turn public finances into a

surplus. Population ageing is also putting a major strain on public finances, reducing the number of people of working age and at once driving up age-related public expenditure. Public debt to GDP will continue to rise and is set to breach the 60% limit.

Turku shipyard has received a valuable order of two cruise vessels from German Tui Cruises. The value of the order is expected to amount to almost 1 billion euros. The cruise vessels will be delivered in 2016 and 2017. Also the ownership of the shipyard will change. The State of Finland and the German shipbuilder Meyer Werft have signed an agreement with the shipyard's owner STX Europe regarding the purchase of the whole share capital of the Turku shipyard.

- Political decisions affecting the industry

As a consequence of the sulphur content legislation for the Baltic 2015 the Government has earmarked for three years an annual sum of 10 million Euro for aiding Finnish flag vessels to acquire scrubbers.

Of the domestic owners Finlines have announced they will install the majority of their vessels with scrubbers from Wärtsilä.

Langship (Hans Lang) will furnish their vessels with a closed system scrubber solution developed by themselves with governmental funding support (TEKES).

Other supporting measure is the reduction of the fairway dues for three year from 2015 by 50 percent. (impact abt. 40 million Euro annually). It appears however that it will not be a flat rate reduction over the whole scale but emphasized on ice class 1 A Super and 1 A vessels.

Piloting charges maintained this year at same level as 2013 but an increase of the basic fee with 30 Euro will take place from 2015.

With reference to the EU initiated law for ships traffic services the Finnish Customs issued a decree whereby the ships agent made equally responsible along with Owners for the correctness of required ships documents which has to be submitted to customs. As we found the demand unreasonable and unlawful we addressed this issue and claimed for rectification. Referring to vague reasons Customs refused our request and even denied to submit directions to appeal. After consulting and with help of legal advisor we made a claim on this issue to the State General Counsellor of Justice (Attorney General). The claim was submitted only four weeks ago so the reaction yet remains to be seen.

As a consequence of the EU legislation of port governance whereby state/municipally owned ports to be restructured into public companies the national taxation board made an audit to the KotkaHamina port. The audit regrettably showed that as a praxis ships agents order the services to vessels not as agents only but in their own name. Consequently the national taxation board declared that these services ordered by ships agents are subject to VAT. Despite our protests this guiding decision by taxation authority has now spread to other actors as well. With reference to this decision the monopoly piloting company announced they will add VAT on all piloting invoices as of 1st of August.

Also tug companies have announced implementing same procedure.

For the association it is now to consider whether continue disputing procedure or let it be.

Under the direction of the Ministry of Transport a preparation of a maritime transport strategy for Finland was completed by end of 2013.

The aim of the study was not to define the most likely future, but open up possible directions of development. The impact of the strategy remains to be seen.

- Fonasba Quality Standard

The Association has an approved FONASBA Quality Standard status since 2012 but member participation proven slow.

-ASAB (Authorized Ships Agent and Broker)

In order to boost the broker/agent status we this year introduced a scheme whereby merited broker/agency staff can apply for an approved status of acknowledged ships agent and/or broker. The reception has been positive and to date awards have been granted to 9 merited individuals.

Helsinki, August 2014

The Finnish Shipbrokers Association

Stefan Lomborg
General Manager



Sweden 2013 - 2014

Population 2014 July: 9,694,194 Since previous year: up 1 %

GDP 2013 (US\$): 552 billion. Since previous year: up 3 %

Total Volume of Exports (US\$): 2013: 181 billion. Since previous year: down 1 %

Total Volume of Imports (US\$) 2013: 158 billion. Since previous year: down 3 %

Principal Commodities Imported: Machinery, petroleum and petroleum products, chemicals, motor vehicles, iron and steel, foodstuffs, clothing

Principal Commodities Exported: Machinery, motor vehicles, paper products, pulp and wood, iron and steel products, chemicals

Membership, FQS and economic position of the association

When we closed the year 2013 The Swedish Shipbrokers' Association had 143 members, five more than the previous year. Actually we gained ten new members last year, which is probably all time high. This is very encouraging for us; it shows that the association is appreciated.

58 companies have qualified for the FONASBA Quality Standard (FQS) two less than in 2013. We still hope FQS will be a help to the principals to identify "quality agency providers", in Sweden and worldwide. We also expect more commitment in this matter from all the other members, worldwide.

The economy of the association is OK, but not more than that. We expect breakeven this year, but it has become harder every year. More members, higher fees and more students for our courses is one way, but now we put our best hope to more delegates at our autumn meetings.

Annual meetings

We had our 95th anniversary in Uddevalla, in May this year. 88 members attended and besides the AGM and dinner, we also took a boat trip through the Uddevalla harbor. We are concerned about the decreasing number attending. We were almost 100 members last year.

In our autumn meeting in Gothenburg we could finally introduce our new General terms and conditions for ship agents, and a representative from the Government discussed their new maritime strategy with us. Other topics were of course the new EU sulphur directive. As always, we ended the meeting with the Shipbrokers' Dinner. 125 members attended and for the first time we welcomed even non-members, but for a higher fee.

Education

17 (19) students registered for TutorShip, 14 (18) enrolled for the exam and only 5 (7) succeeded in at least one subject.

To improve the interest for TutorShip we have also launched a new diploma *Diplomerad Skeppsmäklare*. To get the diploma you need to pass the Advanced Diploma within ICS and have two years working experience. We are still not satisfied at all with the pass ratio, and we do not really understand the reason for it.

We have also had one-day courses. In the past year we have had a VAT-course, Liner Trades and a Customs course. Especially the VAT and Liner Trades were highly appreciated by the roughly 60 students.

PR and lobbying

This summer (2014) we participated in the Politician Week (*Almedalen*) in Gotland, an island outside the mainland where everyone involved in politics, media and lobbying meet in July every year. Berit Blomqvist was part of a panel discussing the fairway dues and how to survive after the implementation of

the new sulphur directive. But due to the financial difficulties we foresee, we are no longer an active partner in the event; it costs too much for a small association as ours.

We still have a close co-operation with the Swedish Maritime Forum, Sjöfartsforum, where Berit Blomqvist is a member of the board.

Developments within the industry

The Swedish flag is continuing its decline. 2009 we had 240 Swedish flagged vessels (2.5 million dwt), today, august 2014, we have just over 100 (1.4 million dwt) and last spring we were under 100 ships! After some changes in the legislation some offshore vessels have changed to the Swedish flag. But the ordinary merchant fleet is still decreasing.

Swedish controlled vessels under foreign flag have increased from 354 (7.5 million dwt) to 389 (8.4 million dwt) 2013.

Furthermore, the new IMO regulation (rules governing sulphur-emissions reduction in SECA areas) is soon here. It is scheduled to be implemented in 2015 in the North Sea and the Baltic Sea only! Last year the government announced a bill of one billion to the Swedish Maritime Administration in order to decrease the fairways dues by maybe 30 percent. Or, that was the headline of the press release. In reality the money only covered the Swedish Maritime Administration's shortfall, due to the financial crises and the decline of volume.

Last spring the office spent a lot of time in Stockholm; meeting with the industry, government and the maritime administration to try to find a more workable level of the fairway dues, but now we have lost that hope. Now we face higher fairway dues at the same time as the new sulphur directive is implemented!

Other issues

At the moment we are working hard to make the next FONASBA Conference a success!

BB// Gothenburg 19 August 2014