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**THE ROLE, RESPONSIBILITIES
AND OBLIGATIONS OF THE
SHIP AGENT IN THE
INTERNATIONAL TRANSPORT
CHAIN**

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The ship agent is defined in the new IMO FAL Convention (effective January 2018) thus:

Ship agent. The party representing the ship's owner and/or charterer (the Principal) in port. If so instructed, the agent is responsible to the Principal for arranging, together with the port, a berth, all relevant port and husbandry services, tending to the requirements of the Master and crew, clearing the ship with the port and other authorities (including preparation and submission of appropriate documentation) along with releasing or receiving cargo on behalf of the Principal.

In practice however, the agent can act for any of the parties involved in the voyage and in any capacity as agreed between the agent and his principal.



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A ship agent is any person or company that carries out the functions of an agent (see the following slide), irrespective of whether they are in business as a ship agent, or they perform such functions as an adjunct to, or in conjunction with, other activities such as shipowning or operating, providing cargo handling or similar.

FONASBA makes no distinction between those providing agency services as their main business activity or as a part of a portfolio of marine related services.



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Acting as the local representative of the principal, the agent provides local knowledge and expertise and ensures that the principal's requirements are performed with the utmost efficiency and despatch.

Accordingly the agent requires to be fully conversant with all the appropriate regulations and requirements relating to the port, area or sector in which they operate, to have a wide range of relevant contacts and be sufficiently well established and founded to be able to provide the level of service and support the principal needs.



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MAIN CATEGORIES OF SHIP AGENT:

PORT AGENT: organises and coordinates the port call, acting on behalf of the owner or operator of the vessel.

CARGO AGENT: solicits cargo on behalf of the owner, or operator, usually within a defined geographical area

OWNERS/CHARTERERS AGENT: acts for another party that has an interest in the port call. The specific duties undertaken vary depending on the relationship between the parties

OTHERS: as the principal may decide or require



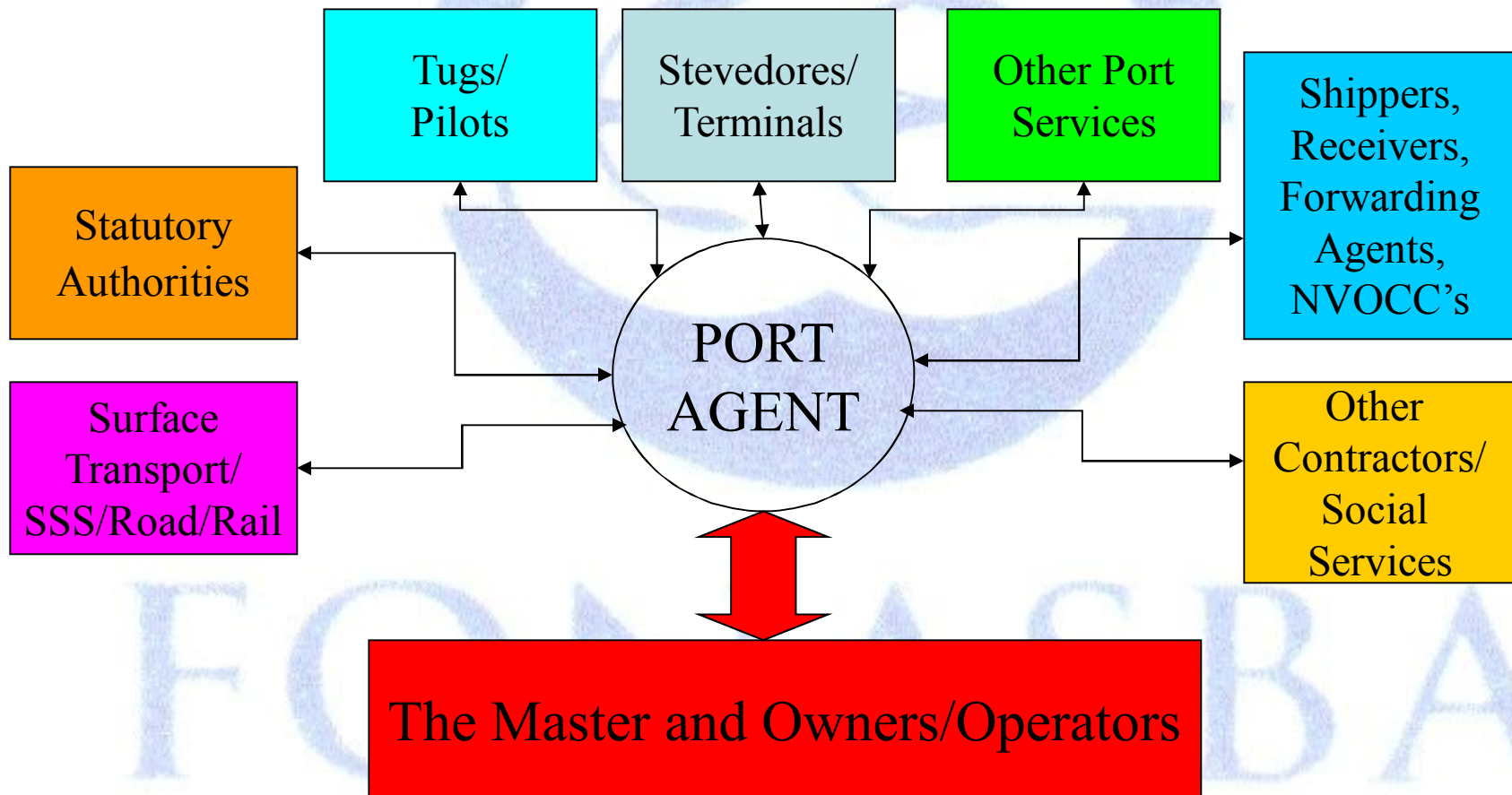
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THE PORT AGENT

The port agent is central to all trades and is responsible for organising, overseeing and coordinating all aspects of the port call, from booking berth allocations and services ahead of the vessel's arrival to finalising the accounts and other paperwork after the vessel has sailed.

Functioning as the de facto port single window, the agent is the conduit for all information exchanged between the vessel and the shore.

The Role of the Port Agent in the Port Call





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THE PORT AGENT/contd..

In order to operate effectively, the port agent is required to be fully conversant with the safety, commercial and statutory requirements and regulations applicable to the port and ensure the vessel complies fully, in to ensure that no delays are caused as a result of failure to meet its obligations.

The port agent will also require wide ranging and effective contacts within the regulators, port operators and service providers in order to ensure that the actions taken, and information provided, are correct and appropriate.



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THE PORT AGENT/ contd...

When developing its unique Port Procedures Survey, FONASBA indentified more than 130 separate operations that a port agent may be required to undertake. Whilst it is unlikely that an agent will have to carry out all 130+ operations in a single port call, the extent of the duties and disciplines covered is indicative of the breadth of knowledge and experience that the port agent is required to have and, importantly, to keep up to date.



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THE CARGO AGENT

Operating primarily in the liner and break bulk trades, the cargo (or liner) agent is responsible for securing cargo for the line or ship operator. This requires the agent to be in regular contact with local shippers and be ready to provide information on vessel schedules, competitive rates and conditions of carriage. The agent may also offer or provide inland transportation, customs clearance and other related services.

The cargo agent may be independent and represent more than one principal but in many cases the agent is tied to, or is often a subsidiary of, one specific principal.



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THE OWNERS/CHARTERERS AGENT

Depending on the circumstances of the port call, there may be more than one agent attending the vessel.

One party may decide that their best interests will be represented by appointing their own independent representative, rather than using the primary nominated agent.

The exact role and responsibilities of this second agent (and indeed the title under which they operate) will be determined on a case by case basis.



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OTHER AGENCY APPOINTMENTS

An agent may be appointed to undertake other duties on behalf of a principal and the extent of those duties may be specific or general in nature as the principal requires. Such appointments often derive from unscheduled occurrences such as port calls arising as a result of an emergency, vessel breakdowns or pollution incidents, or action by statutory authorities such as customs or immigration.



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DUTIES OF THE AGENT / DELEGATED AUTHORITY FROM THE PRINCIPAL

At the time of initial appointment, the principal will issue instructions to the agent detailing the services required and the limits of delegated authority. Within the limits of that authority, the agent is entitled to enter into agreements or contracts, disburse funds and make other arrangements that may bind the principal or incur costs on their behalf.



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“AS AGENTS ONLY”

Assuming that the agent has not exceeded the delegated authority granted by the principal, the principal agrees to assume the obligations and to indemnify the agent for any costs resulting from any contract or arrangements entered into by the agent on the principal’s behalf.

The agent is entitled to benefit from the protections available to it under the above agreement but in order to do so must describe itself in all correspondence, written verbal and otherwise, “as agents only”



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THE AGENCY FEE

The agent will charge the principal a fee based on the volume of work undertaken. The fee is agreed through negotiation between the agent and the principal and is often subject to competition from other agents.

The precise form of the fee, for example a flat fee or one based on the duties undertaken, can vary widely. The flat fee is common in port agency whilst the component based fee is more normal for cargo agencies.



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THE ROLE OF FONASBA

Established in 1969, FONASBA is the global association for ship brokers and ship agents. With members in more than 50 maritime nations, the Federation's remit is to “promote and protect the professions of ship broker and ship agent worldwide”, an obligation it discharges through actions in relevant international and regional bodies and organisations and by supporting its members on matters of a national nature.



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THE ROLE OF FONASBA contd/..

FONASBA has consultative status with:

the International Maritime Organisation, the UN Conference on Trade and Development, the World Customs Organisation and the European Commission.

The Baltic Exchange, BIMCO, INTERTANKO and the Shipbrokers' Register are members of FONASBA and the Federation maintains close relations with Intercargo, as well as European organisations representing shipowners, port authorities, terminal operators and others.

FONASBA Membership 2012

AFRICA: Kenya, Mauritania, Mauritius, Morocco, Nigeria, Senegal, South Africa, Tunisia

AMERICAS: Argentina, Brazil, Mexico, Peru, USA

ASIA/PACIFIC: Australia, China, India, Indonesia, Japan, the Philippines, Sri Lanka

EUROPE: Belgium, Bulgaria, Croatia, Cyprus, Denmark, Finland, France, Germany, Great Britain, Greece, Hungary, Ireland, Italy, Malta, Montenegro, Netherlands, Norway, Poland, Portugal, Russia, Slovenia, Spain, Sweden, Turkey

MIDDLE EAST: Dubai, Israel, Jordan, Qatar, Syria, Yemen

FONASBA Membership 2012

FONASBA Membership currently represents:

- 69% of global population (4.77 billion people)
- 71% of global GDP (US\$ 52.78 trillion)
- 6 of the G7 countries (excl Canada)
- 7 of the G8 countries (excl. Canada)
- 17 of the G20 countries (excl. Saudi Arabia, South Korea & EU)
- 19 of the 27 EU countries (excl. Austria, Czech Rep. Estonia, Latvia, Lithuania, Luxembourg, Romania and Slovakia)
- All 5 of the BRICS countries (Brazil, Russia, India, China and South Africa)

FONASBA Quality Standard

In October 2007, FONASBA unveiled its Quality Standard for Ship Brokers and Agents. This is designed to set an internationally recognised set of quality criteria by which companies operating in the broking and agency industries can be judged.

Only companies that are members of FONASBA member associations can secure this standard.

Currently FONASBA associations in 19 countries (Argentina, Australia, Belgium, Brazil, Croatia, Cyprus, Denmark, Finland, Great Britain, Israel, Italy, Japan, Malta, Norway, Portugal, Slovenia, Spain, Sweden and the USA) are accredited to the Standard and over 280 companies are approved.



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