

FONASBA QUALITY STANDARD



Version 7.0 – Approved by Council October 2017

DEFINITIONS:

FONASBA:	The Federation of National Associations of Ship Brokers and Agents
FULL, ASSOCIATE, CLUB and CANDIDATE MEMBER, COUNCIL, EXECUTIVE COMMITTEE	The meaning of these terms shall be as defined by the Articles of Association and By Laws of FONASBA, as amended from time to time
CODE OF CONDUCT:	The FONASBA Code of Conduct as incorporated in the FONASBA Articles of Association and By Laws, as amended from time to time
SHIP BROKER:	An individual or company carrying on the profession of ship broking, that is acting as an intermediary for the purposes of arranging transportation of goods by sea
SHIP AGENT:	An individual or company carrying on the profession of ship agency, that is the representation of the interests of a ship owner or operator

ELIGIBILITY CRITERIA:

The FONASBA Quality Standard, hereinafter referred to as “the Standard” shall only be granted to companies that are members of a FONASBA member association, (a Full Member), or are themselves an Associate, Club or Candidate Member of FONASBA.

Companies that are granted the Standard shall be entitled to demonstrate the award by using the FONASBA Quality Standard logo on their stationery and to describe themselves as a FONASBA Quality Standard Approved company. FONASBA will produce annually a list of those companies that have been awarded the Standard and this list shall be circulated to the FONASBA member associations and to such other external organisations as the FONASBA Executive Committee shall from time to time determine appropriate.

Should a company resign from membership of a FONASBA member association or, in the case of an Associate, Club or Candidate member, resign its own membership, the Standard shall be withdrawn and notification of withdrawal shall be circulated as an update to the annual list.

It is not a condition of FONASBA Membership, in whatever category, that a company shall be required to obtain the Standard, although they will be encouraged to do so.

COMPLIANCE:

Companies awarded the FONASBA Quality Standard shall be subject to at least a biennial audit by their own national association or, in the case of an Associate or Club member, by the FONASBA Secretariat. A failure to maintain the appropriate criteria shall lead to withdrawal of the Quality Standard. Full Member associations shall be responsible for establishing the appropriate procedures for auditing company compliance and for notifying the FONASBA Secretariat of any withdrawal of the Standard.

RECOGNITION OF PRE-EXISTING QUALITY PROGRAMMES:

FONASBA recognises that: some Full or Candidate Member Associations have their own pre-existing quality standards, compliance with which is a condition of membership of that association; that some national government authorities set minimum statutory standards for the provision of ship broking or ship agency services; and that ISO and other similar standards have been established that may apply to those companies operating in the ship broking and ship agency professions. Subject to a prior review of any such quality standards, the FONASBA Executive Committee, on determining that they meet, or exceed, those of the FONASBA Standard, may award the FONASBA Quality Standard to the members of that association or to individual companies that are accredited to those Standards, provided always that the association ensures that its members adhere at all times to those standards.

FONASBA shall publish annually a list of those association, national government and international standards that have been adjudged to meet or exceed the requirements of the FONASBA Quality Standard.

The minimum requirements for awarding the FONASBA Quality Standard to Full/Candidate and Associate Members are as stated in Annexes 1 and 2.

PENALTIES FOR NON-COMPLIANCE

Where the company is a member of a FONASBA member association (a Full Member), the national association shall make every effort to ensure the activities of its members comply at all times with the Standard and where necessary the association shall order the company to take appropriate remedial action to rectify any cases of non-compliance. Any failure by the company to rectify any case of non-compliance within one month of a remedial action order being issued by the association should be reported by the association to the FONASBA Secretariat, who will notify the Executive Committee. The national association will continue to monitor the non-compliance and notify the Secretariat if the remedial action has been taken. Where the company is an Associate, Club or Candidate Member of FONASBA, the Secretariat shall be responsible for ordering and monitoring remedial action.

Upon receipt of advice from the Secretariat, the FONASBA Executive Committee will suspend the Standard, pending a full investigation. The Executive Committee will then consider the matter at its next meeting and determine whether the standard should be reinstated or withdrawn. Only the FONASBA Executive Committee may confer reinstatement of the standard.

Any suspension or withdrawal of the standard shall be notified to the FONASBA membership and external organisations in the aforementioned manner.

ANNEX 1

QUALITY STANDARD – MINIMUM REQUIREMENTS FOR FULL OR CANDIDATE MEMBERS

1. The applicant company, “the company” shall be a current member of a FONASBA Full Member or Candidate Member association
2. The company shall be bound by, and at all times act in accordance with, the FONASBA Code of Conduct
3. The company shall be in complete compliance with an approved pre-existing quality standard established by a FONASBA member association or shall be accredited for its ship agency or ship broking activities to another quality standard¹ that has previously been approved by the FONASBA Executive Committee. For companies applying for accreditation to the Standard by means of compliance with an approved pre-existing quality standard,¹ the company shall also be required to provide to the association:
 - A copy or copies of the appropriate quality standard certificates
 - A copy of its audited accounts or of its statutory companies return for the previous year or,
 - A report, certificate or other evidence of the company’s accounting procedures indicating compliance with appropriate national accounting standards provided by the company’s auditors, or
 - A financial report compiled in accordance with a national association’s current quality standards or
 - Evidence that the company has been audited – or its financial standing approved by – the national government or the appropriate national financial authority
4. Where such a quality standard is not already in place, a national association shall draft and present to the FONASBA Executive Committee for prior approval a set of criteria which, at the very minimum, require that a company shall provide annually to the association:
 - A copy of its audited accounts or of its statutory companies return for the previous year or,
 - A report, certificate or other evidence of the company’s accounting procedures indicating compliance with appropriate national accounting standards provided by the company’s auditors, or
 - A financial report compiled in accordance with a national association’s current quality standards or
 - Evidence that the company has been audited – or its financial standing approved by – the national government or the appropriate national financial authority
5. Whilst not mandatory, the company should, as evidence of best practice, also have in place adequate and appropriate** insurance cover, where possible provided by an internationally recognised mutual club or insurance company, in respect of professional indemnity risks and/or errors and omissions by the company. (** Adequate shall mean at or above any minimum limits of cover set by the association or national authorities and appropriate shall mean that the cover extends to all aspects of the company’s activities).
6. The company shall be able to prove to the satisfaction of the association that it:
 - Ensures that all its operations are carried out to the highest levels of professionalism and in accordance with all relevant national laws or regulations
 - Maintains appropriate accounting policies and appropriate controls, ensuring that principals’ funds are accounted separately from those of the company itself

¹ The pre-existing quality standards currently approved by FONASBA for this purpose are:

- ISO 9001/2000 and subsequent versions thereof
- The Authorised Economic Operator (AEO) programmes established by the World Customs Organisation or the European Union

- Ensures that all members of its staff are trained to the appropriate level. Additionally it will encourage its staff to study for, and pass examinations based on the syllabi of recognised authorities or educational institutions and,
 - additionally encourages and supports its staff in obtaining and maintaining membership of an appropriate national or international professional body representing the shipping industry
7. Subject to the approval of its draft criteria by the FONASBA Executive Committee, the association shall be accredited to award the FONASBA Quality Standard to those of its members that meet those criteria.

ANNEX 2

QUALITY STANDARD – MINIMUM REQUIREMENTS FOR ASSOCIATE MEMBERS

1. The applicant company, “the company” shall be an Associate Member of FONASBA
2. The company shall be bound by, and at all times act in accordance with, the FONASBA Code of Conduct
3. If the company is already covered **for its ship agency or ship broking activities*** by ISO 9001 or another a quality standard that has previously been approved by the FONASBA Executive Committee² then it shall provide annually to the FONASBA Secretariat:
 - A copy or copies of the appropriate quality standard certificates
 - A report, certificate or other evidence of the company’s accounting procedures, in English, indicating compliance with appropriate national accounting standards provided by the company’s auditors,
 - Provide evidence of adequate and appropriate** insurance cover, where possible provided by an internationally recognised mutual club or insurance company, in respect of professional indemnity risks and/or errors and omissions by the company. (** Adequate shall mean that the cover is sufficient for the anticipated needs and liabilities of the company and appropriate that it extends to all aspects of the company’s activities).
 - A letter signed by one of the company’s directors certifying that it meets with all the requirements of paragraph 4 below
4. The company shall be able to prove to the satisfaction of the FONASBA Executive Committee that it:
 - Ensures that all its operations are carried out to the highest levels of professionalism and in accordance with all relevant national laws or regulations
 - Maintains appropriate accounting policies and appropriate controls, ensuring that principals’ funds are accounted separately from those of the company itself
 - Ensures that all members of its staff are trained to the appropriate level. Additionally it will encourage its staff to study for, and pass examinations based on the syllabi of recognised authorities or educational institutions and,
 - additionally encourages and supports its staff in obtaining and maintaining membership of an appropriate national or international professional body representing the shipping industry

*Please note that whilst approval of other activities to ISO or other approved standards are welcome and noteworthy, the standard must clearly cover the company’s ship agency or ship broking activities, as appropriate, for the company to gain the FQS by this route.

² The pre-existing quality standards currently approved by FONASBA for this purpose are:

- ISO 9001/2000 and subsequent versions thereof
- The Authorised Economic Operator (AEO) programmes established by the World Customs Organisation or the European Union