

**MINUTES OF THE
CHARTERING & DOCUMENTARY PLENARY MEETING HELD AT
THE INTERCONTINENTAL HOTEL, DUBAI FESTIVAL CITY
AT 2.15 p.m. ON MONDAY, 16th OCTOBER 2017**

Present:

Mr. F. Carlini FICS	Chairman
Mr. J. A. Foord FICS	President FONASBA
Mr. M. El Mezouar	Vice Chairman

In Attendance:

Mr. J.C. Williams FICS	General Manager
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Mr. J. Dulce	Argentina	Mr. M. Louraki	Morocco
Mr. G. Hernandez	Argentina	Mr. M. Tak	Netherlands
Mr. R. Garcia Piñeiro	Argentina	Mr. J. Contreras	Peru
Mrs. H. Bruggeman	Belgium	Mr. A. Belmar da Costa	Portugal
Mr. R. Troch	Belgium	Mr. E. Bandelj	Slovenia
Mr. E. Wouters	Belgium	Mr. N. Warner	South Africa
Mr. G. Gordon Findlay	Brazil	Mr. H. Galal	Sudan
Mr. W. Rocha jnr.	Brazil	Mrs. B. Blomqvist	Sweden
Capt. N. Hristov	Bulgaria	Mr. N. Mehta	Ukraine
Mr. A. Ngouala	Rep. of Congo	Mrs. M. Collins	USA
Mr. P. Nombo	Rep. of Congo	Mr. C. Young	USA
Mr. M. Dosso	Côte D'Ivoire	Mrs. J. Cardona	USA
Capt. J. Karmelić	Croatia	Mr. F. Sarre	BIMCO
Mr. T.D. Paulsen	Denmark	Ms. M. White	INTERTANKO
Mr. J. Cox	Dubai	Mr. A. Jamieson	ITIC
Mr. M. El Antably	Egypt		
Mr. M. El Kady	Egypt	Observers:	
Dr. A. Geisler	Germany	Adm. M. Hatim El Kady	AFCS, Alexandria
Mr. N. Soltow	Germany	Mr. R. Rodrigo	BSAA Bahrain
Mr. S. Gillie FICS	Great Britain	Mr. T. Almarzouky	SCS Saudi Arabia
Mr. M. Gilbert	Great Britain		
Mr. B. Szalma	Hungary	Guests:	
Mr. B. Szalma jnr.	Hungary	Mr. E. Newitt	Dubai
Mr. O. Malek	Iran	Ms. V. Welch	Dubai
Mr. F. Firouzpour	Iran	Mr. M. Khan	Dubai
Mr. V. Totorizzo	Italy	Mr. A. Denny	Dubai
Mr. A. Bancho	Italy	Mr. A. Muley	Dubai
Ms. L. Tropa	Italy	Ms. R. Zouhir	Dubai
Mr. S. Carlini	Italy	Mr. M. Alqassim	Dubai
Mr. T. Iigaki	Japan	Mr. P. Pant	Dubai
Mr. T. Saita	Japan	Ms. A. Zhurbenko	Dubai
Mr. M. El Yaman	Lebanon	Mr. F. Massouh	Dubai
Mr. F. Bracamontes Venegas	Mexico	Mr. K. Krishnaprasad	Dubai
Mr. N. Banovic	Montenegro	Mr. I. Scope	Dubai
Mr. A. Mantrach	Morocco		

Item

Action

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

The **President** welcomed all those present to the meeting. He also thanked Mr. Newitt of EMAC for his presentation immediately prior to the opening of this plenary.

The **Chairman** added his welcome to everyone at the meeting, especially acknowledging Mr. **El Mezouar**, who was attending both his first meeting and in his capacity as the new Vice Chairman of the Committee.

2. **Minutes of the Last Meeting held London, 18th October 2016**
With no comments having been received, the minutes **were approved**.

3. **Matters Arising**
There were no matters arising that were not otherwise covered in the agenda.

4. **Present and Future of the Shipbroker**

The **Chairman** introduced this discussion item by outlining some of the issues that are presently impacting on the shipbroking community. They included:

- The continuing development of online shipbroking applications, which are becoming more effective through the use of automated processes for collecting information from offer messages, advances in artificial intelligence and other developments
- Changes in vessel operating practices and the use of third party service providers leading to a dilution of the relationship between the broker and the principal
- The increasing prevalence of direct deals between principals, by-passing the broker
- The widespread use of messaging applications such as WhatsApp and Instagram and the increased risks of disputes that arise from the lack of any archiving of such messages

The meeting then discussed these issues in open forum and it was agreed that the contacts, information and knowledge collected and collated by shipbrokers had a value and must be guarded carefully. Brokers should therefore resist calls to make their information (and that of their principals) available in the open market and take action should their data be reused without their permission. The relationship between the broker and the principal must be strengthened and the broker must be able to add tangible value to that relationship in order to avoid the principal looking elsewhere or being attracted by the online broking platforms. The confidentiality aspect of fixtures completed between brokers should also be emphasised. The meeting agreed that in spite of all the external factors that might appear to be limiting the involvement of the broker, there remained a number of very good reasons to be confident about the future of the sector.

5. **ITIC Claims Review**

Mr. **Jamieson** gave another of his interesting and insightful presentations about the issues currently giving rise to claims against ship brokers and ship agents. These included:

- A year on year 10% increase in debt collections
- Ongoing work as a result of major bankruptcies such as Hanjin and OW Bunkers
- Owners withholding commissions due to brokers until after the voyage was completed and all the outstanding issues were resolved – which is unethical and possibly illegal
- Owners not paying for items not included in the proforma disbursements account – agents should therefore request that owners complete the FONASBA/BIMCO AAA or GAA forms as they clearly set out the non-binding, advisory nature of the proforma D/A and the owners obligation to pay for all legitimate costs incurred during the port call
- The need to carefully review all recaps and other documentation to ensure that no obligations or liabilities are overlooked. Do not assume!
- Ensure that any agreements reached using social media such as WhatsApp that are not backed up are confirmed by secure means, or further evidence is gathered to support the brokers' position should any dispute subsequently arise

A copy of the presentation is available for download from the Members' Area of the website. With regard to the practice of principals withholding commissions and other unethical practices, Mr. **Jamieson** recommended that FONASBA review its current code of conduct as it concentrates more on the obligations of the broker or agent than of the principal and he suggested it would benefit from being rebalanced. The **Chairman** thanked Mr. **Jamieson** for another excellent presentation and advised that FONASBA would indeed review its Code of Conduct - with input from ITIC.

6. **BIMCO and INTERTANKO Documentary Committee Reports**

At the invitation of the **Chairman**, Mr. **Sarre** and Ms. **White** made presentations to the meeting on the activities of their respective Documentary Committees.

Mr. **Sarre** referred to:

- New contracts being developed including SUPPLYTIME 2017 and the Oil Spill Response contracts
- Documents ready for adoption at the November meeting of the Committee including the FONASBA/BIMCO General Agency Agreement, Bunker Terms and BARECON 2017
- Documents under or scheduled for review, for example the Offshore Dismantling Contract, arrest clauses and the GENCON and BARECON contracts
- A series of roadshows BIMCO is organising to promote some of the new clauses and contracts

Mr. **Sarre** also extended an invitation from BIMCO for FONASBA to nominate representative to the GENCON review panel that would begin work on the document early in 2018.

In her presentation, Ms. **White** gave an overview of recent developments within INTERTANKO before summarising the clauses under development including:

- A storage/anti-fouling clause
- A river ports clause for parcel tankers
- Demurrage and late payment clauses.

She also gave an overview of new INTERTANKO publications including a commentary on the new BPVOY5 charterparty as well as guides to Terminal Conditions of Use, LNG Chartering and bunker supply.

Copies of both presentations are also available for download from the Members' Area. The **Chairman** thanked both Mr. **Sarre** and Ms. **White** for their presentations and for once again having joined the meeting. On the FONASBA/BIMCO General Agency Agreement, he acknowledged the strong support given to the project by BIMCO, without which it would not have made such good progress. He said he would be present at the Documentary Committee meeting in Copenhagen in November and hoped to be able to report back to the membership that it had been approved. He also confirmed that FONASBA would be very pleased to participate in the GENCON review. *(Post-meeting note: The GAA was unanimously approved by BIMCO and is now available for use by FONASBA members.*

7. FONASBA Shipbrokers' Facebook Page

Mr. **El Mezouar** outlined progress towards establishing a dedicated Facebook page for shipbrokers. He said that it would provide a closed, invitation-only, forum for interaction and discussion on a wide variety of non-commercial topics. It was hoped it would also further arise the profile of FONASBA amongst the broking community. Details of the new page would be circulated shortly.

9. Date and Place of Next Meeting

The **Chairman** thanked all those present for their contributions to an excellent and productive meeting. He then advised that the next Plenary Meeting of the Chartering & Documentary Committee would take place in October 2018 in Mexico, with the date to be confirmed in due course.

8. There being no further business to discuss, the Chairman brought the meeting to a close.

He then introduced Mr. Krishnan Subramaniam FICS, President of the Institute of Chartered Shipbrokers' Middle East branch, who moderated a seminar entitled "Disruptive Technologies, How will they impact on shipping intermediaries, and are we ready for them?"

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