

**MINUTES OF THE
ASSOCIATION BEST PRACTICES COMMITTEE PLENARY MEETING HELD AT
THE SHELBORNE SOUTH BEACH HOTEL MIAMI
AT 11.30 a.m. THURSDAY, 3rd OCTOBER 2019**

Present:

Mrs. J. Cardona	Nominated Association Best Practices Committee Chair
Mrs. B. Blomqvist	Nominated Association Best Practices Committee Chair
Mr. A. Mantrach	President

To be confirmed

To be confirmed

Present:

Mr. J.C. Williams FICS	General Manager
Mrs. V.L. Marsh FICS	Assistant General Manager

This meeting was undertaken in compliance with FONASBA's Anti-Trust and Competition Policy and at no time were any discussions undertaken in relation to: fixing of terms, prices or rates, matters relating to particular customers or suppliers, boycotting or black listing particular customers or suppliers, dividing markets or customers or otherwise seeking to distort competition

Item

Action

1. President's Welcome Presentation

The **President** formally welcomed delegates to the inaugural Association Best Practices Committee meeting, a development of the previous Secretaries meeting, and made a short presentation to explain the rationale behind the formation of the Committee and set out its initial objectives. The presentation is available for download from the Members' Area,

2. Chair's Opening Remarks

The **Nominated Chair** (henceforth the **Chair**) added her welcome and thanked the President and Executive Committee for the decision to establish the Committee and her nomination as Chair, both of which would be considered at the Council Meeting. On the assumption that the Committee and her nomination were approved, she proposed Mrs. **Blomqvist** as nominated Vice Chair. (*Post-meeting note: The Committee was formally endorsed as a Standing Committee of FONASBA by Council and Mrs. Cardona elected as Chair. Mrs. Blomqvist's nomination as Vice Chair was therefore also endorsed*)

The **General Manager** reminded those present that the meeting was being held in accordance with FONASBA's Anti-Trust and Competition policy (see above).

3. Member Association Presentations

The **Chair** explained the background to the member association presentations, advising the meeting that each of the associations represented on the panel had introduced innovative strategies that had produced tangible and beneficial results in terms of income generation. She then introduced Mr. **Bennet Lira** (Mexico), Mr. **D'Orey** (Portugal), Mr. **Duci** (Italy) and Mr. **Delfino** (Argentina). The presentations, which are also available for download from the Members' Area, highlighted the following income sources:

Mexico: Provision of legal advice and attending to agency licensing formalities for members, acting as a single window for the lodgement of customs documentation, hosting education courses and processing maritime registry and immigration formalities. More than 58% of AMANAC's annual income was earned through the single window.

Portugal: The largest single source of income is the "per vessel call" fee, which generates approximately 63% of the association's income, followed by membership fees (23%). The balance comprises management income from an insurance scheme to cover agents for unfunded port dues liabilities and from education courses. The association refunds a proportion of the total income to members annually in arrears. Last year this amounted to an average of 14.6% of their fees.

Italy: FEDERAGENTI receives fees for managing a number of funds providing pensions, healthcare and unemployment benefit to ship agents and other logistics sectors. FEDERAGENTI members also pay an annual fee to cover the cost of providing education and training courses to employees. A "per vessel call" fee scheme is also in operation.

Argentina: Centro de Navegación assumed responsibility for developing and operating the customs single window from Argentine Customs. Use of the “Mercuria” application is free to Centro members but charges a fee to non-members. It covers deep sea, coastal and river cargoes and its use is obligatory, resulting in an increase in association members as well as generating additional fees from river transport operators. In the first semester of 2019, Mercuria increased Centro’s income by 78%.

The **Chair** thanked the panel for their informative presentations before inviting questions from the floor, many of which related to the technical details of the various initiatives.

Closing the discussion, the **Chair** reminded the meeting of the benefits of introducing a “per vessel call” fee, namely that it was relatively simple to administer, required no investment and fi well-managed can bring significant benefits to the association. She therefore recommended that all associations not presently operating such a scheme give careful consideration to doing so. She would be returning to this topic in the 2020 meeting.

Assns.

4. Round Table Discussion

The **Chair** then invited the delegates to split into discussion groups based on the number of members in their association namely: Less than 50, 50 to 100 and More than 100. She then challenged the groups to discuss and propose two ideas for enhancing income that were relevant and appropriate to the associations, taking into account income and secretariat resources.

Following the discussion, the delegates came together and the group coordinators proposed the following:

Less than 50 members:

- Enhancing recognition of the association by local authorities and the provision of essential services (vessel reporting, collection of dues etc.) to increase membership by effectively making it compulsory in order to operate as a ship agent.
- Providing added value to members through the provision and sharing of information, best practice etc.

50 to 100 members:

- Adding value to membership services, similar to the actions proposed by the preceding group.
- Introducing the “per vessel call fee”

More than 100 members:

- Using the size and spread of membership to support increased collaboration with authorities, provision of more ambitious or complex services
- Consider establishing funds to support members – for example as suggested by Italy

The **Chair** thanked the delegates for their enthusiastic engagement during the meeting and said that she hoped the discussions had provided much food for thought. She therefore looked forward to positive developments, based on these suggestions, being reported at the next meeting.

5. The State of Your Association

Due to time constraints, this item was held over for discussion at a future meeting

6. Date and Place of Next Meeting

The **Chair** advised that the next plenary meeting of the Committee would take place in **Genoa** the week commencing **12th October 2020**, with the exact date to be notified in due course.

There being no further business to discuss, the Chair brought the inaugural Association Best Practices Meeting to a close.

JCW/03.2020