

THE FEDERATION OF  
NATIONAL ASSOCIATIONS OF SHIP  
BROKERS AND AGENTS



FONASBA

# FONASBA

## GOVERNANCE HANDBOOK

**August 2020**

## Governance:

*“the action or manner of governing a state, organization, etc.”*

Oxford English Dictionary

## PREFACE

This Governance Handbook has two primary objectives.

The first, which is aimed at current members of FONASBA, is to provide a single, comprehensive, cohesive and easily understood guide to the rules, regulations and practices that govern the way the Federation is administered and the decision-making processes that are involved in doing so.

The second is to provide a guide for new members on the background and history of FONASBA and also the rules and regulations with which they, as members, will have to comply.

In producing this Handbook, information has been brought together from a number of otherwise separate sources. These include, but are not limited to, the Articles of Association and By Laws of FONASBA, the terms of reference of the various committees and other information and guidance papers issued to the membership. In a small number of cases, existing generally accepted but unwritten practices have been codified.

One of the benefits of such an exercise is that it brings all the disparate elements together in one place and in a legible and easily understood format. As part of that process, any inconsistencies or conflicts currently present will be identified and a decision taken on how they can be resolved.

At no time does this Handbook seek to supplant or overrule the Articles and By Laws which at all times retain final authority over the governance of the Federation. Any dispute arising from the information provided in this Handbook will therefore be subject to the provisions of the Articles and By Laws.

It is intended that this handbook will be revised as and when necessary as a result of amendments to the Articles of Association and By Laws, other decisions in Council or changes to accepted operating practices within FONASBA as sanctioned by the Executive Committee, as appropriate.

Jonathan C. Williams FICS  
General Manager  
London, August 2020



## TABLE OF CONTENTS

Chapter:		Page
1	FONASBA's Aims and Objectives	7
2	A brief history of FONASBA	8
3	Glossary of Terms	11
4	Summary of the Governance Process	13
5	Role and Composition of Council	14
6	Role and Composition of the Executive Committee	15
7	Standing Committees, Advisory Panels, Working Groups and Range Committees	17
8	Role and Duties of the Officers	20
9	Role and Duties of the General Manager	21
10	The Categories of Membership and the Membership Structure	22
11	Procedures for the Election of Members	24
12	Procedures for the Election and Resignation of Officers	25
13	The Annual Meeting	27
14	Procedures for the nomination of Annual Meeting hosts and the relevant responsibilities of FONASBA and the appointed association	28
15	FONASBA Competition Policy	30
Appendices:		33
	The FONASBA Code of Conduct	34
	The FONASBA Quality Standard	37
	FONASBA Expenses Policy	42
	Annual Meeting Host Information	43



## *Chapter 1:*

# *FONASBA, its Aims and Objectives*

**“FONASBA exists to promote and protect the interests of its members and by so doing assist them to provide the highest possible levels of professional service to their principals”**

FONASBA is the only organisation dedicated to the international ship broking and ship agency professions. Its membership comprises associations and companies based in more than sixty maritime nations and these in turn represent approximately 5,000 individual ship broking and ship agency companies.

Since its foundation in April 1969, this Federation has sought to raise international awareness of the vital role played by its members in the effective and efficient movement of goods by sea. This role is not yet universally acknowledged and FONASBA continues to inform, consult and advise those charged with the development of maritime policy at national, regional and international levels in order to ensure that the views and concerns of its members, and the contribution they make to international waterborne trade, are recognised and valued. In addition, and through its member associations, FONASBA is committed to ensuring that the highest possible standards of conduct and quality of service, combined with the employment of well-qualified and experienced staff, are applied across the industry.

Three specialist committees, representing the spread of expertise within the membership, provide input to FONASBA. They are the Ship Agent and Ship Broker Committees, whose titles are self-explanatory, and ECASBA, which is responsible for FONASBA's relations with the European Union. The members of all these committees, and the Advisory Panels and Working Groups that support them, are senior figures in the agency and broking fields who provide information and guidance to FONASBA on issues that fall within their specific area of expertise. This input is vital for the development of FONASBA policy and the breadth and depth of experience available to the Federation through these committees enable it to speak with authority and clarity on relevant issues. FONASBA also has one further committee, the Association Best Practices Committee, whose role is to directly support member associations with internal matters such as membership development, revenue generation and similar.

Externally, FONASBA operates in close cooperation with other maritime sector organisations at all levels. FONASBA has enjoyed consultative status with IMO since November 2007 and for considerably longer with UNCTAD and the World Customs Organisation. Regionally ECASBA enjoys excellent relations with the European Union as well as European organisations representing ship owners, ports, terminal operators and other maritime sectors.

At national level, FONASBA works closely with its member associations and provides assistance to them in resolving their own local issues with national governments and authorities.

## ***Chapter 2:***

### ***A Brief History of FONASBA***

#### **The Early Days**

Documents in the FONASBA archives indicate that as early as 1952 a number of shipbroking and ship agency organisations in Europe were talking about joining forces in order to better protect and promote their interests in discussions and negotiations with national governments, to collaborate with organisations representing other sectors of the maritime industry and to exchange views, set standards for best practice and take any other actions that may be required in order to engender an awareness of the role and values of the broking and ship agency sector in the overall maritime chain.

#### **Foundation**

It was not, however, until 1969 that FONASBA was formed. An inaugural meeting was held on 23rd April at the offices of the Institute of Chartered Shipbrokers in London and the founding countries were:

- Belgium
- Denmark
- Finland
- France
- Germany
- Great Britain
- Greece
- Italy
- The Netherlands
- Norway and
- Sweden

With the exception of Norway, all remain in membership today.

Recognising the role of the Institute of Chartered Shipbrokers in facilitating the preliminary discussion leading to the establishment of the Federation, the then Chairman of the Institute, Edward Roberts FICS, was elected the first President and the Institute was also established as the location for the Secretariat, a position it initially held until 1990. The first Secretary of the new association was Mr. N.C. Cowland.

The first set of Articles and By Laws established a number of guiding principals that have remained essential to the administration and operating principles of FONASBA to date.

*Continued on page 9*



*Continued from page 8*

These include:

- Setting out the primary aims of the organisation, that is: to speak with authority on all relevant matters pertaining to the shipping profession so far as agents and brokers are concerned, to gain a position of influence within the maritime community and to encourage fair and equitable practices within the broking and agency sectors
- Assisting individual member associations with local issues as and when required
- Confirming the one vote per association rule
- Establishing an Executive Committee
- Establishing the principle of an Annual Meeting to be held in a different member state each year and,
- Seeking to expand the association globally

## **Early Development**

In keeping with its aim of expanding to all major maritime nations, almost immediately it had been established FONASBA began to look outside its founding members and by the next meeting of the Executive Committee in November 1969, Portugal, South Africa and the USA had joined, with the Republic of Ireland and Morocco joining at the next meeting in April 1970.

The November 1969 meeting also saw work start on FONASBA's Standard Liner and General Agency Agreements, two documents designed to assist liner agents and their principals establish relationships that were appropriate, relevant and balanced. Since then, a number of other standard documents have been developed and these are available for use by companies within the FONASBA member associations. Another development which came about shortly after the formation of FONASBA was the establishment of the three committees, Chartering & Documentary, Liner & Port Agency and the European Committee, ECASBA, although this latter committee did not take its current shape until 1993, when it came into being as a result of the European Commission determining that it would only consult with purely European industry organisations. Other international bodies also established European sections at a similar time.

Although the overall structure of FONASBA and its operating procedures remain largely unchanged from the mid 1990's, the Federation has however undergone an almost continuous process of modification since then, this being aimed at ensuring that FONASBA adapts to the developing requirements of its members, is responsive to changes in the international maritime community and is therefore fully equipped to discharge its obligations in a timely, relevant and above all professional manner.

One major change instituted in 2005 was the move to a full-time permanent secretariat. The FONASBA Secretariat was provided by the Institute of Chartered Shipbrokers in London from 1969 until 1990, when it moved to VRC in Rotterdam for ten years before returning to London in 2000. Before 2005 the Federation was administered on a part time basis but the Executive Committee then decided that the role of the association and the activities it was undertaking on behalf of the members were such that a full time General Manager was warranted.

This has enabled the Federation to enhance the level of service provision to members and to allow it to raise its profile within the international maritime community. Taking its independence one step further in November 2010, FONASBA gained its first exclusive office when it relocated to the Baltic Exchange.

*Continued on page 10*

*Continued from page 9*

## **Current Expansion**

With most of the traditional maritime nations now in membership (see Membership below) FONASBA is today concentrating on expanding into three main areas, Africa and the Middle East, Asia and Central and South America whilst Europe, although already comprehensively covered, is not forgotten either. Each region has a Regional Vice-President who sits on the Executive Committee and is responsible both for identifying possible new members in the region and for liaison with existing members.

## **Current Membership**

FONASBA currently is represented in sixty four countries, in forty-seven by Full Member associations, two by Candidate Members and in fifteen by Associate Members (that is individual companies in countries where no national association currently exists). In addition there are seven Club Members. These latter members are organisations that have been specifically invited to join FONASBA because of their importance to our profession. Currently these are the Baltic Exchange, BIMCO, the Comite Maritime International, INTERCARGO, INTERTANKO, the International Port Community Systems Association (IPCSEA), ITIC and the Shipbrokers' Register.

A full list of countries in membership is as follows:

### **Membership 2020**

AFRICA (Regional Vice President: Mohamed Mouselhy, Egypt): Algeria, Angola, Cameroon, Republic of Congo, Côte d'Ivoire, Egypt, Kenya, Mauritania, Morocco, Mozambique, Senegal, South Africa, Sudan, Tunisia

MIDDLE EAST (Regional Vice-President: Dr. Dureid Mahasneh, Jordan): Bahrain, Dubai, Iran, Israel, Jordan, Lebanon, Syria, Yemen

THE AMERICAS (Regional Vice-President: Javier Dulce, Argentina): Argentina, Aruba, Bonaire and Curaçao, Brazil, Colombia, Costa Rica, Mexico, Panama, Peru, Uruguay, the USA, Venezuela

ASIA (Regional Vice-President: Takazo Iigaki, Japan): China, Japan

AUSTRALASIA: Australia

EUROPE (Regional Vice-President: Antonio Belmar da Costa, Portugal): Albania, Belgium, Bulgaria, Croatia, Cyprus, Denmark, Estonia, Finland, France, Germany, Great Britain, Greece, Hungary, Ireland, Italy, Lithuania, Malta, Montenegro, the Netherlands, Poland, Portugal, Romania, Russia, Slovenia, Spain, Sweden, Turkey, Ukraine

### **Global Coverage — Quality, not Quantity**

Although FONASBA's 64 member countries only represent 33% of the total of 195 nation states in existence in 2020, those same countries account for 48% of the global population, represent 79% of global output (GDP) and include 6 members of the G7 group, 7 of the G8, 14 of the G20 and 22 of the 27 EU Member States.

## ***Chapter 3:***

### ***Glossary of Terms***

Listed below are a number of terms that are regularly used within FONASBA and their definitions as generally accepted by the Federation:

Advisory Panel	A Panel providing specialist or technical advice to a FONASBA Standing Committee. See Chapter 7.
Associate Member	As defined in By Law 1.3.1, a company domiciled in a state where no national association currently exists. Associate Members do not have the right to vote or to nominate candidates to the Executive Committee but may otherwise fully participate in the activities of FONASBA.
Council	The Full Members of FONASBA meeting at a time and place previously designated as a Council Meeting. See Chapter 5.
Candidate Member	Under By Law 1.3.3, national associations that are unable to become Full Members for financial reasons may join for a maximum of three years as a Candidate Member at a reduced fee. Following expiry of the three years, or before if it so elects, the Candidate Member will become a Full Member. Candidate Members do not have the right to vote or to nominate candidates to the Executive Committee but may otherwise fully participate in the activities of FONASBA.
Club Member	As defined in By Law 1.3.2, a company or organisation providing services to FONASBA members or whose activities have a bearing on the ship broking and ship agency sectors. Club Membership can only be granted by FONASBA. Club Members do not have the right to vote or to nominate candidates to the Executive Committee but may otherwise fully participate in the activities of FONASBA.

*Continued on page 12*

*Continued from page 11*

ECASBA	The European Standing Committee of FONASBA as defined under By Law 10. ECASBA represents the Federation in all its relations with the European Union, European Commission and other European maritime industry bodies.
Executive Committee	As defined in By Law 3, the Committee is the executive board of FONASBA, charged with administering the Federation, developing its policy and overall strategies subject to the approval of Council. See Chapter 6.
Full Member	As defined in By Law 1.3, a national association of ship brokers and/or ship agents. Full Members have the right to vote, to nominate candidates to the Executive Committee and to fully participate in the activities of FONASBA.
Standing Committee	As defined in By Law 9, the Standing Committees of FONASBA comprise the Executive Committee, Membership Committee, Association Best Practices Committee, ECASBA (see above), the Ship Agent Committee and the Ship Broker Committee. See Chapter 7.
Working Group	An ad-hoc group of experts on a specific issue or series of related issues whose role is to provide technical input on that issue to the Chair of a Standing Committee. See Chapter 7.

## ***Chapter 4:***

### ***Summary of the Governance Process***

The FONASBA governance process is based upon the Articles of Association and By Laws, as amended in Council as and when the need arises. The Articles and By Laws remain at all times the ultimate authority in relation to the administration of the Federation and any questions related to the Federation's rules, regulations and methods of operation will be answered by reference to the Articles and By Laws.

The working language of FONASBA is English and this is the language in which the Articles and By Laws have been drafted (*Article 9.1*).

Proposals to amend the Articles and By Laws can be put forward by the Executive Committee or a joint proposal from any three Full Members. (*Article 7*). Upon receipt of such proposals, the Secretariat will review same and advise the proposer of their consistency with the Articles and By Laws. Should any amendments be required in order to ensure consistency, same will be discussed by correspondence. Once the proposal is in compliance, it will be placed before the Executive Committee for consideration in relation to the overall policy aims and strategies of the Federation. Once endorsed, the proposal will be placed before Council for ratification, following which the Articles and By Laws will be updated and circulated to all members, Full, Associate, Candidate and Club.

Operating under the authority of the Articles and By Laws, but at all times subsidiary to them, are a variety of operating procedures such as terms of reference, formally agreed procedures, guidelines, frameworks and generally accepted working practices. All such subsidiary operating procedures are notified to the membership and where appropriate Council approval will be sought.

FONASBA's Executive Committee is the body authorised by Council "to do whatsoever may be necessary to further the aims and objects of FONASBA" (*By Law 3.5*). In this respect the Executive Committee is responsible for ensuring the proper and effective operation of the Federation in accordance with the Articles and By Laws, establishing strategies for its future development and ensuring that it operates on a sound financial basis.

The actions of the Executive Committee are at all times subject to the approval of Council and such approval may be granted either during a Council Meeting or by a vote of the members carried out by correspondence. The election of the officers and the Executive Committee, appointment of Honorary Members, approval of changes to the Articles and By Laws, the setting of membership fees and the approval of the annual financial statements must, however, be undertaken at a Council Meeting.

The day to day operation of the Federation is delegated to a permanent Secretariat led by the General Manager, who is appointed by the Executive Committee and ratified by Council. The General Manager is responsible for implementing the decisions taken by Council and the Executive Committee and otherwise ensuring the effective and efficient running of the Federation, the maintenance of accurate financial records and the collection of membership fees.

Further information on these and other aspects of the governance process can be found in subsequent pages of this Handbook.

## ***Chapter 5:***

# ***The Role and Composition of Council***

### **Role of Council**

Council acts as the ultimate decision-making body of FONASBA and has the authority to take whatever decisions it sees fit in order to ensure the effective operation of the Federation including, if necessary, overturning a previous decision of the Executive or any other Standing Committee. It would also be responsible for overseeing its orderly liquidation should the need arise (*Article 8*).

It is the only authority within FONASBA for:

- Amending the Articles and By Laws (*Articles 6/7, By Law 12*)
- Electing or if necessary dismissing the Executive Committee or a member thereof (*Article 4*)
- Determining the criteria for all categories of membership (see Chapter 10) and for Honorary Members (*By Laws 1.3/1.6*)
- Voting on applications for membership and proposals for the granting of Honorary Membership (*By Laws 1.3/1.6*)
- Suspending or expelling members that violate the provisions of the Articles or By Laws, act in a manner unbecoming the Federation or otherwise are ineligible for membership (*By Law 6*)
- Determining the membership fees (*Article 3/By Law 7*)
- Approving the financial statements (*By Law 8*)
- Ratifying the appointment of the General Manager on the recommendation of the Executive Committee (*By Law 4.7*)
- Approving the host association for an Annual Meeting (*Article 5*) or
- Taking such decisions or granting to itself such additional powers as it may see fit

### **Composition of Council**

Council comprises any number of delegates representing Full Members attending a Council Meeting called in accordance with Article 5. As stated in By Law 2.1, each country represented shall have one vote, which vote is to be shared where one country is represented by more than one association. Representatives of Associate, Candidate and Club Members shall be entitled to be present at Council Meetings and contribute to the proceedings, but they do not have a vote. A majority of the Full Members present at a Council Meeting or by proxy constitutes a quorum and a simple majority of the votes cast is sufficient to carry a motion, (*By Law 2.4*) except in respect to the amendment of the Articles of Association and By Laws, where a two-thirds majority is required (*Article 7/ By Law 12*).

By Law 2.1 requires that Council meets at least once a year, at the Annual Meeting (see Chapter 13) but additionally allows for a Special Meeting to be called by the President or five Full Members acting in concert, should the need arise. Twenty eight days notice of the Annual Meeting or a Special Meeting must be given to the membership.

## ***Chapter 6:***

# ***The Role and Composition of the Executive Committee***

### **Role of The Committee**

The Executive Committee functions as the main board of FONASBA. Its primary functions are the effective and efficient administration of the Federation — including ensuring that it meets all its statutory obligations — the development of the strategies necessary to ensure its continued growth and development and ensuring that at all times it complies with its prime objective of promoting and protecting the interest of its members. Whilst the Committee can take decisions on behalf of FONASBA, (see below) it remains at all times responsible to Council for those decisions.

Executive Committee Members are elected by Council. To be eligible to serve on the Committee candidates must, at the time of election, be members of a FONASBA member association and must remain so at all times during their term of office. Whilst acting as a member of the Executive Committee however, the individuals concerned are required to act independently of their own association, their sole responsibility at such times being to the Federation only. Any discussions that take place within the context of an Executive Committee meeting or any other meeting deemed to be of relevance thereto, are confidential to the members of the Executive Committee and remain so until such time as the Chair deems they may be disseminated further.

The full Terms of Reference of the Executive Committee are laid down in FONASBA Article 4 and By Law 3 and details of the Officers in By Law 4 and in any case of dispute these shall prevail. They have been summarised, however, in the Terms of Reference approved by Council in Marrakech in November 2006 and same are set out below:

### **Terms of Reference**

- The Executive Committee is a committee of the FONASBA Council. *(By Law 9)*
- The Committee shall administer the affairs of FONASBA on behalf of its members in accordance with the Articles of Association and By Laws. It is authorised by Council to take any such decisions as may be required in order to discharge its duties in this respect, except where those decisions are stated in the Articles and By Laws as being reserved for Council, in which case the Committee shall place a proposal before Council for approval. *(By Law 3.5)* Council may from time to time vary the authority of the Committee as it may see fit. *(By Law 6.1)*
- The Committee will meet at least twice a year and one meeting shall be held during the Annual Meeting. *(Currently it meets three times a year, usually in February, June and at the Annual Meeting).*
- A quorum shall consist of the President or Executive Vice President and a majority of the members. *(By Law 3.4)*

### **Composition of The Committee**

The composition (membership) of the Executive Committee and its election process are likewise set out in the Terms of Reference and same are as detailed overleaf:

*Continued on page 16*

*Continued from page 15*

### **Membership**

- The Executive Committee shall consist of the President, the President Designate, the Executive Vice-President, a minimum of two, and a maximum of six, Vice-Presidents\*, the Immediate Past President, the Chairs of the Standing Committees together with any member(s) elected by the Council. The President, or in their absence the Executive Vice-President, shall chair all meetings. *(Article 4.1, By Law 3.1)*
- The Committee may co-opt any additional member(s) as required. *(By Law 3.2)*
- The Vice-Chairs of any Standing Committee and co-opted members may attend Executive Committee meetings and take part in the deliberations, but without voting power. *(By Law 3.3)*
- All members of the Executive Committee shall be appointed by the Council. The Council has power to suspend and dismiss any member of the Executive Committee. *(Article 4.1)* Elections shall be called every third year in accordance with procedures determined by Council *(By Law 4.2)* and all members, save the President and President Designate shall be eligible for re-election. *(By Law 4.8).*
- The President shall, subject to approval by Council, serve a maximum three-year term, following which they shall serve a further two-year term as a member of the Committee. *(By Law 4.4)*
- Unless otherwise determined by Council, the Chair of a Standing Committee shall serve for a maximum of two consecutive terms (six years). Following completion of their term(s) of office, the Chair may stand for election as a member of the Executive Committee.
- Each member of the Executive Committee shall have one vote and the President shall have an extra vote to be cast only in the event of a tied vote. The Vice-Chair of any Standing Committee and any co-opted members shall not be eligible to vote. *(By Law 3.3)*

Should a member of the Executive Committee resign, become ineligible for membership or otherwise be prevented from participating in the Committee's activities, the procedures set out in By Law 4.9 shall be invoked.

\* At present there are six Vice Presidents, the five Regional Vice Presidents and the Vice President for Education.

### **Regional Vice President for Europe / ECASBA President**

It was agreed by Council in 2012 that on certain occasions, and as specifically requested by the ECASBA Chair, the Regional Vice President for Europe will assume the role of ECASBA President. This is an honorary title and is used for external presentational purposes only. The position itself has no executive authority as this is retained at all times by the ECASBA Chair.



## ***Chapter 7:***

# ***Standing Committees, Advisory Panels, Working Groups and Range Committees***

### **Standing Committees**

By Law 9 gives Council the freedom to establish such committees as it feels necessary to assist in its work or to undertake specialist functions. At present, a total of six Standing Committees are extant:

- The Executive Committee
- The Membership Committee
- The Association Best Practices Committee
- The European Committee (ECASBA)
- The Ship Agent Committee (*formerly the Liner & Port Agency Committee*)
- The Ship Broker Committee (*formerly the Chartering & Documentary Committee*)

The duties, obligations, responsibilities and composition of the Executive Committee are detailed in Chapter 5 and so require no further explanation here. The Executive Committee may also (*By Law 9.2*) delegate to the other Standing Committees whatever authority it decides is necessary in order that the Committee can function appropriately.

The Membership Committee is responsible for overseeing the vetting and balloting of new members of the Federation in accordance with the procedures laid down in By Laws 1.4 and 1.5. Its members are the President, the Executive Vice President and the Immediate Past President.

The Association Best Practices Committee supports member associations by providing a forum for the exchange of information on best practice in securing and retaining new members, generating income and providing value added services.

The Ship Agent, Ship Broker and European (ECASBA) Committees all support the membership of the Federation through the provision of specialist information in their specific areas of expertise. In broad terms, the Ship Agent Committee covers issues relevant to the agency community worldwide, including developing responses to changes within the port sector, maintaining an overview of new technologies and other developments and ensuring the information is passed on to the membership. The Ship Broker Committee undertakes similar actions in support of the global shipbroking community, including reviewing and or developing new chartering forms, providing information on changes in shipping legislation and other such issues. ECASBA has primary responsibility for all FONASBA's relations with the European Union institutions. To a certain extent these responsibilities are flexible and there is scope for considerable overlap between the work of the three Standing Committees. Accordingly, and in order to ensure continuity, the Chair and Vice Chair of each Committee is a member of the Executive Committee.

Each committee is required to report to the membership on its activities at a Plenary meeting at the Annual Meeting.

*Continued on page 18*

*Continued from page 17*

Due to the high level of delegated authority from the Executive Committee, ECASBA has been formally established in accordance with By Law 10.

### **Advisory Panels**

As laid down in By Law 9.3 (and 10.3 in the case of ECASBA), each Standing Committee Chair may appoint an Advisory Panel, which is a group of representatives of FONASBA member associations whose role is to assist the Chair in undertaking the duties assigned to the committee. Any representative of a FONASBA member association may apply to the Committee Chair to become a member of the Advisory Panel, which membership shall be approved by the Executive Committee.

Due to the volume of work undertaken by ECASBA, its Advisory Panel is formally appointed by the Executive Committee and meets on a regular basis. Under normal circumstances those of the Association Best Practices, Ship Agent and Ship Broker Committees operate by correspondence, although they may meet at the Annual Meeting, or elsewhere or at such time as the Chair may deem necessary.

### **Working Groups**

The Chairs of the Association Best Practices, Ship Agent, Ship Broker and European Committees may establish Working Groups to maximise the effectiveness of its work programme. Such Groups, who report to the Advisory Panel, may be constituted on a semi-permanent basis or established for a specific project. Irrespective of the nature of their formation and or duties, they will comprise a number of individuals who have specific high-level knowledge of the topics to be covered and they will be required to provide current and up to date input in order to ensure that the decision taken, or guidance provided, to FONASBA members is as relevant, accurate and timely as possible. A coordinator will be appointed from amongst the Working Group members to act as the focal point for communication between the Group members and the Committee. In the case of ECASBA, the Working Group coordinators are members of the Advisory Panel but this is not always the case with the Groups reporting to the other Committees. The Terms of Reference for the Working Groups are shown on the following page.

### **Range Committees**

Recognising the local or regional nature of some issues facing its members, FONASBA has created ad-hoc regional committees within membership. These committees have no formal standing (although they do report to the Ship Agent Committee Plenary meeting), their function being to provide a forum in which member associations in the region may discuss issues of mutual concern and interest.

Presently there are two active range committees, Cámara Interamericana de Asociaciones de Agentes Maritimos, CIANAM, covering the Americas (North, Central and South) and the eponymous Nordic committee. CIANAM is a separately constituted organisation whose membership comprises the FONASBA member associations in the region plus others that are presently outside the Federation. It therefore provides a useful link between FONASBA and a number of potential members in the region. In addition to the member associations shown below, the Nordic Committee also includes Norway. The MABSA Range Committee, comprising member countries around the Mediterranean and Black Sea coasts of Europe, the Middle East and Africa, is presently (August 2020) dormant but may be reactivated at a later date.

Current FONASBA members of each committee are:

CIANAM: Argentina, Brazil, Costa Rica, Mexico, Panama, Peru, Uruguay, the USA

Nordic: Denmark, Finland, Sweden

## FONASBA WORKING GROUPS

### TERMS OF REFERENCE

1. The Working Groups (the WGs) are sub-groups of the FONASBA Standing Committees
2. The WGs will act as technical advisory bodies to the appropriate Committee Chair\* and will provide guidance, advice and solutions on specific matters within the remit of the group. Furthermore, the WGs will consider, discuss and provide guidance to the Chair on other matters upon request. Liaison between WGs on matters extending beyond the remit of any particular group may also be required.
3. The WG coordinator, either jointly with the Committee Chair\* or of their own volition, shall be responsible for the identification of issues to be considered by the group and for overseeing the work of the group and for the drafting of any advice to the Chair\*.
4. The WGs will, so far as is practical, operate by correspondence only but may convene a meeting of those members present at the FONASBA Annual Meeting.
5. In addition to providing guidance on specific issues, the WGs, through the medium of the coordinator, will provide a written report on its activities to the Committee Chair\* in advance of each FONASBA Executive Committee meeting.

### MEMBERSHIP

1. The WGs shall comprise a coordinator, who shall be appointed by the Committee Chair\*, supported by sufficient members to carry out the work of the WG. All members of the Group shall have a direct and regular involvement in those areas of specific relevance to the Working Group and should, so far as possible, reflect the geographic spread of the FONASBA membership.
2. The Committee Chair\* or the WG coordinator may nominate members of the WGs. In the case of nominations by the WG coordinator, same shall be approved by the Committee Chair\*.
3. Membership of the WGs shall be approved by the FONASBA Executive Committee, at the Annual Meeting.
4. The Executive Committee, or in the case of ECASBA Working Groups the Advisory Panel, shall have the right to ask for the resignation of a coordinator or member if it considers their continued membership is undesirable or is not contributing to the work of the group. There is no limit on the period of time a coordinator or member shall serve on a WG.
5. Any coordinator or member wishing to resign from a WG shall give the Committee Chair\* 3 months notice.
6. The coordinator and all members of the group will be volunteers and will serve without compensation.

\* Any reference to the Committee Chair will, in the case of the ECASBA Working Groups, be construed as referring to the ECASBA Chair and/or the ECASBA Advisory Panel.

## ***Chapter 8:***

### ***The Role and Duties of the Officers***

The Officers of FONASBA are the elected members of the Executive Committee, that is the President, Executive Vice President, President Designate, Immediate Past President, the Vice Presidents and the Chairs of the Standing Committees. The Officers, and any candidates nominated for election as an Officer by the process detailed in Chapter 12, shall reflect as far as possible the geographical spread and the diversity of the FONASBA membership (By Law 4). The Vice-Chairs of the Standing Committees and any co-opted Executive Committee members are not elected and so are not Officers.

All Officers shall serve until their successors are elected and installed in office. All Officers save the President and President Designate and the Chairs of Standing Committees may be re-elected to successive terms of office for so long as they remain members of their own member association.

Nominations for Officers can be made either by the Nominating Committee or by three member associations acting together (see Chapter 12). Elections for Officers can only take place at the Council Meeting.

All Officers serve without compensation (By Law 4) but with the authority of Council, the Executive Committee may decide to reimburse travel expenses incurred by officers in the course of their duties on behalf of the Federation. A policy on the reimbursement of travel expenses is appended to this handbook.

The President, or in his absence the Executive Vice President, shall represent FONASBA in legal proceedings of any kind by or against the Federation (Article 4.3).

The President shall chair meetings of the Executive Committee and the Council Meeting. If the President is prevented from being present at such meetings, the Executive Vice President shall act as Chair. If both the President or Executive Vice President are unavailable, the Executive Committee shall elect an officer to chair the meeting.

As members of the Executive Committee, the Officers are at all times responsible for the effective and efficient administration of the Federation and for ensuring that it complies at all times with its statutory obligations, see Chapter 6. The Officers may decide to delegate some or all of the necessary duties to the General Manager but at all times the Officers retain full responsibility for ensuring those duties are discharged appropriately.

The Officers each have one vote and the President has one extra vote, to be cast only in the event of a tied vote. Standing Committee Vice Chairs and co-opted Executive Committee members do not have a vote (*By Law 3.3*).

## ***Chapter 9:***

### ***The Role and Duties of the General Manager***

The General Manager is the Chief Operating Officer of FONASBA. He or she is appointed by the Executive Committee and the appointment is ratified by Council. Whilst not an Officer of the Federation or member of the Executive Committee, the General Manager attends all meetings of the Federation and where required or requested provides input to their work.

The General Manager is responsible to the Executive Committee and Council for the administration of the Federation on a day to day basis and in this regard has delegated authority from the Executive Committee and Council to undertake the following:

- Ensure that at all times the Federation meets its statutory, legal and other obligations in relation to the jurisdiction in which it operates
- Further ensure that the Federation operates in compliance with the Articles of Association and By Laws as in force at the appropriate time
- Oversee the operation of the Secretariat
- Invoice and receive all monies due to the Federation from membership fees and other types of income and ensure that all appropriate payments are made to the Federation's creditors
- Maintain accurate and up to date financial records and in conjunction with the Federation's auditors produce annual accounts and financial statements for Council
- Maintain accurate and up to date lists of Members, Officers and similar
- Act as secretary to Executive Committee and other meetings and take and produce timely minutes when required
- Make proposals to the Executive Committee and Council for changes to the Articles of Association, By Laws and other rules governing the functions of the Federation
- Represent the Federation at such meetings of external organisations and other bodies as may be deemed appropriate

In addition the General Manager will:

- Draft reports, discussion papers and other similar documents on behalf of the Federation and or the Officers
- In conjunction with the host association, organise and oversee the Annual Meeting
- Organise such other events, conferences or similar activities as FONASBA may decide to arrange
- Provide such assistance to Member Associations as they may from time to time require
- Ensure that regular communication is maintained between the Federation and its members
- Undertake any other duties or actions as may from time to time be required

If the General Manager resigns, the Executive Committee will appoint an acting General Manager to serve until the next Annual Meeting, at which time the appointment will be ratified. (*By Law 4.9.4*).

## ***Chapter 10:***

### ***The Categories of Membership and the Membership Structure***

FONASBA's Members are currently divided into four categories and each has its own particular characteristics, as detailed below.

#### **Full Membership**

As defined in By Law 1.3, Full Membership is only available to national associations of ship brokers and/or agents or, if Council approves, other organisations in countries where no national association exists. If the ship broking or ship agency sector in a particular country is represented by more than one association, all the relevant associations may apply to join FONASBA if they so wish. Full Members have full voting rights in Council and all other ballots (albeit with only one vote per country), may propose members for election to the Executive Committee, Advisory Panels, Working Groups or to Honorary Membership and otherwise to participate fully in the activities of the Federation.

#### **Associate Membership**

Associate Membership, defined in By Law 1.3.1, is available to any ship broking or ship agency company, entity or other body as Council may determine. In practice, however, Associate Membership is limited to individual companies based in countries where no national association currently exists. Associate Members are expected to act as the catalyst for the development of a national association which will subsequently become a Full Member of FONASBA. Associate Members may attend all meetings of FONASBA and participate in any discussions or other activities but they do not have voting or nomination rights.

#### **Club Membership**

By Law 1.3.2 makes provision for FONASBA to extend membership to any entity or organisation whose activities may be of interest or benefit to the Federation membership as a whole. Club Membership is in the gift of FONASBA only, in that organisations may only be invited by FONASBA to join in this category, they cannot of themselves make an application. Similarly to Associate Members, Club Members may attend all meetings of FONASBA and participate in any discussions or other activities but they do not have voting or nomination rights.

#### **Candidate Members**

FONASBA has the right, under By Law 1.3.3, to grant Candidate Membership to any applicant national association and under any conditions as Council may decide. In practice, however, this is offered where the only impediment to becoming a Full member of FONASBA is the level of the membership fees due. Primarily this applies to nascent national associations whose membership may not be sufficiently large or well-developed to enable the association to bear the Full Membership fee. Candidate members may only remain in this category for a maximum of three years and by that time must have made an application for Full membership. If the association has not done so then it is required to resign. Candidate Members enjoy the same benefits as Associate and Club Members but again cannot vote.

*Continued on page 23*

*Continued from page 22*

### **Honorary Membership**

The only class of membership available to individuals (as distinct from sole traders), Honorary membership is granted to those who have made a special and significant contribution to the work of the Federation or to the international ship broking and agency sectors. It is also conferred on Presidents at the end of their term of office (By Law 1.6).

### **Membership of ECASBA**

All Full Members of FONASBA domiciled in member, or applicant member, states of the European Union and the European Economic Area are also members of ECASBA (By Law 10). A FONASBA member automatically becomes a member of ECASBA on election or at the start of the financial year immediately following the commencement of “substantive membership negotiations” between the country concerned and the European Union.

### **Membership Fees**

Membership fees are payable in accordance with the schedule approved by Council at its preceding meeting for a period of twelve months commencing 1st July. For the first year, associations joining part way through the financial year (1<sup>st</sup> July to 30<sup>th</sup> June) pay a pro-rata fee based on the number of full months to the end of that financial year and the full schedule fee thereafter.

Recognising the additional resources required to ensure FONASBA remains fully engaged in the European maritime sector, ECASBA members are required to contribute additional fees in order to defray the cost of providing those resources.

## ***Chapter 11:***

# ***The Procedures for the Election of Members***

### **Full, Associate, Club or Candidate Members**

By Law 1.4 requires that candidates for membership apply in writing to the Secretariat and the application must include the following:

- Confirmation that in applying for membership the candidate has read the Articles of Association and the By-Laws of FONASBA and, if admitted to membership, specifically agrees to comply with same.
- An outline of the candidate's qualifications in accordance with the Articles and By-Laws and for National Associations a brief description of the scope and the objectives of the candidate's Association and the number of members represented therein.

Where there is already a Member representing the country of the applicant, the application shall be referred to that Member who will advise the Secretariat of its recommendation for acceptance or reasons for non-acceptance within two months. The Secretariat then places the application together with the Member's views before the Membership Committee. Where there is no Member representing the country of the applicant, the application immediately goes before the Membership Committee.

The Membership Committee will examine the application and, if approved, will undertake a ballot of the Full Members. Voting will take place by e-mail or by secret ballot at an Annual or Special Meeting. A two-thirds majority of the members present or responding within fifteen days is required to confer membership on the applicant. In the event of disapproval FONASBA shall not be required to give reasons for same.

### **Honorary Members**

By Law 1.6 allows Honorary Membership to be awarded to individuals who have made a special and significant contribution to the work of the Federation or to the international ship broking and agency business.

Nominations for Honorary Membership may be proposed to the Nominating Committee by any Full, Associate or Club Member, or by any member of the Executive Committee and shall be seconded by at least one other member. The Nominating Committee shall review the nomination and, if it endorses it, will forward same to the Executive Committee for further scrutiny. If the Executive Committee approves the nomination by a simple majority it will be advised to the members at least thirty days before the next Annual Meeting of the Council. Voting will only take place at an Annual Meeting and a majority of two thirds of those members present shall be required to confer Honorary Membership. In the event of disapproval FONASBA shall not be required to give reasons. Honorary Members are entitled to describe themselves as such and to wear the badge specifically designed for the purpose.

Honorary Membership is also automatically conferred on FONASBA Presidents at the end of their term of office.



## ***Chapter 12:***

### ***The Procedures for the Election and Resignation of Officers***

The procedure for the nomination and election of Officers is set out in By Law 4.2 and the actions to be taken in the event of resignation in By Law 4.9, as follows:

#### **Nomination and Election of Officers (By Law 4.2)**

##### **Nomination of the President Designate**

A Presidential Nominating Committee of three members is named by the Executive Committee at its first meeting after election. The chair of the Committee is the Immediate Past President and the other two members shall be senior members of FONASBA. No later than three months prior to the appropriate Annual Meeting, the Presidential Nominating Committee will provide the Secretariat with a written list of its nominee(s) for the post of President Designate. Those nomination(s) are sent to the Full Members not less than two months prior to the date of the Annual Meeting. No member of the Nominating Committee is eligible for nomination for office at the elections in question. Furthermore, no member of the Nominating Committee can serve for more than four years.

##### **Nomination of Officers, other than the President Designate**

The Officers Nominating Committee comprises three members, the President, President Designate and Immediate Past President and is chaired by the President Designate. Not less than three months prior to the appropriate Annual Meeting, the Officers Nominating Committee will provide the Secretariat with a written list of its nominees for the posts to be elected. Those nominations are sent to the Full Members not less than two months prior to the date of the Annual Meeting.

##### **Nomination of All Officers by the Membership**

In addition, nominations for any office, signed by at least three Full Members, may be made provided they are received by the Secretariat no later than one month before an election. Notice of such nominations shall be sent to the Full Members at least two weeks prior to the date of the Annual Meeting.

If more than one nomination is received for any office, the nominations for that office shall be subject to a secret ballot at the Annual Meeting. If only one nomination is received for any office, the meeting will vote by a show of hands.

All Officers and Standing Committee Chairs shall serve a three-year term of office and shall be elected at the same time, except where otherwise provided.

*Continued on page 26*

*Continued from page 25*

### **Resignation of Officers (By Law 4.9)**

Should the resignation of one or more Officers take place the following procedures shall be adopted:

If the President resigns, the Executive Vice-President immediately assumes the office of President and a new acting Executive Vice-President will be appointed by the Executive Committee. Both shall serve until the next Annual Meeting. At the same time the Executive Committee will appoint a Nominating Committee and the procedures under By-Law 4.2 will be followed.

If the President Designate resigns the Executive Committee will immediately advise the Membership and appoint a Nominating Committee. The procedure established in By-Law 4.2 shall be followed save that the time limits referred to therein shall not apply. Nominations will be conveyed to the members as soon as possible.

If the Executive Vice-President, a Vice-President or other Officer resigns, an acting Executive Vice-President, acting Vice-President or acting Officer shall be appointed by the Executive Committee to hold office until the date of the next Annual Meeting when a new Executive Vice-President, Vice-President or Officer shall be elected in accordance with By-Law 4.2

If more than one Officer resigns from the Executive Committee at the same time which prevents the Committee from functioning due to the lack of a quorum or preventing the above provisions from being fulfilled, the President will convene a Special Meeting or carry out an election by postal vote to fill the vacancies.

## ***Chapter 13:***

### ***The Annual Meeting***

The Annual Meeting is the main event of FONASBA's calendar and is the only opportunity for FONASBA members to meet and discuss issues of relevance to the Federation and the ship broking and ship agency sectors.

The meeting is hosted by a FONASBA Full Member association and the convention is that the location rotates between Europe and the rest of the world, although there is no specific requirement that this convention be adhered to. Any Full Member association may volunteer to host an Annual Meeting. Due to the level of commitment required from a hosting association, FONASBA has instituted a formal procedure for the nomination and selection of the host, details appear in the following Chapter.

The Annual Meeting comprises two parallel programmes: the work programme and the social programme. The social programme is proposed by the host association and approved by Council at the preceding Annual Meeting. The work programme comprises meetings of the FONASBA Executive Committee, plenary meetings of the Standing Committees (Association Best Practices, ECASBA, the Ship Agent and Ship Broker), meetings of the range committees, the Council Meeting and in most cases a seminar based around the maritime industry of the host association.

The host association is actively encouraged to use the occasion of an Annual Meeting to promote itself, FONASBA and its local maritime sector in the local and international media.

Partners are an important part of the overall event and are actively encouraged to attend and participate in the social programme.

Since 1969 the FONASBA Annual Meetings have been held in the following locations:

1969	London	1970	Paris & Antwerp	1971	Genoa	1972	Hamburg
1973	Amsterdam	1974	Oslo	1975	New York	1976	Vienna
1977	London	1978	Copenhagen	1979	Seville	1980	Bordeaux
1981	Athens	1982	Helsinki	1983	Santa Margherita Ligure	1984	London
1985	Geneva	1986	Marseilles	1987	Dublin	1988	Estoril
1989	Singapore	1990	Stockholm	1991	Lübeck	1992	Santiago de Compostela
1993	Limassol	1994	Taipei	1995	Cape Town	1996	Naples
1997	Rotterdam	1998	Portoroz	1999	Sintra	2000	Paris
2001	Antwerp	2002	Rio de Janeiro	2003	Istanbul	2004	Budapest
2005	Tokyo	2006	Marrakech	2007	Buenos Aires	2008	Opatija
2009	Cape Town	2010	Varna	2011	Sydney	2012	Venice
2013	Lima	2014	Gothenburg	2015	Vitória	2016	London
2017	Dubai	2018	Cancún	2019	Miami		

## ***Chapter 14:***

### ***The Procedures for the nomination of Annual Meeting hosts and the relevant responsibilities of FONASBA and the appointed association***

Applications to host a FONASBA Annual Meeting are to be submitted two years prior to the meeting date. The formal procedure for applying to host the meeting is as follows:

The Secretariat is open to receive applications during the period Jan 1<sup>st</sup> to May 31<sup>st</sup>. The formal application should be made in the name of the association, signed by the President and the Secretary/ General Manager etc., (as appropriate) and shall follow the format below:

QQ

We, (insert name) and (insert name), being respectively (position) and (position) of the (Association name) wish formally to apply on behalf of our association to host the FONASBA Annual Meeting in (year).

We confirm that the (Association name) has discussed this proposal within its management committee and is fully aware of the obligations the association will be required to undertake if this application is successful.

We agree to abide by the decision of the Council with regard to the venue for the (year) Annual Meeting and also understand that all expressions of interest in hosting the (date) Annual Meeting, other than that chosen, will be void once Council has made its decision.

Signed (Association officers)

UNQQ

In support of the application the association will provide a proposal for the Annual Meeting, including indicative dates and an outline programme for work and social programmes.

In the event of more than one application being received by the closing date, the Executive Committee will, at its summer meeting, consider all applications fairly and on their merits before presenting the alternatives, plus its own recommendation, to the next Council Meeting for a decision. As part of its consideration process the Executive Committee may request further information from the applicant member.

The application process will apply to one Annual Meeting at a time so once the venue for that year is chosen, all other expressions of interest are void and the candidates not chosen may offer again for the following year. Applications are welcomed from two or more associations wishing to jointly host a meeting.

*Continued on page 29*

*Continued from page 28*

Associations considering applying to host a meeting should be aware that:

- Financial assistance from FONASBA is strictly limited to the registration fees payable by delegates and accompanying persons.
- Appropriate sponsorship is welcomed but FONASBA does not allow overt commercial promotions or presentations to be held during the meeting.
- The Secretariat will be responsible for arranging the work programme, the provision and distribution of agenda, supporting papers etc., administering the registration process and the remittance of registration fees to the host association. The host association will be responsible for all local matters, including the selection of, and liaison with, the meeting hotel, the production of the information booklet and identity badges and the development of the social programme. The Secretariat will also provide such assistance to the local association as may be required or necessary.

To further clarify the split of responsibilities between FONASBA and the host association, information detailing the breakdown is provided to any association that wishes to consider making an application. This is reproduced in the Appendices, see page 43.

## ***Chapter 15:***

### ***FONASBA Competition Policy***

As an international organisation representing member associations operating in varied legal regimes worldwide, FONASBA is fully aware of the need to ensure that its activities do not bring it, or its member associations whilst participating in said activities, into conflict with national, regional or international anti-trust or competition policies. To this end, FONASBA has adopted the undernoted policy:

#### **Anti-Trust/Competition Law Compliance Statement**

It is a clearly stated policy of FONASBA that it, and its member associations, are committed to promoting and maintaining fair and equitable practices in the global ship broking and ship agency sectors, and to adhering to all applicable laws which regulate FONASBA and its members' activities in these markets. These laws include, but are not limited to, the anti-trust and/or competition laws of the United Kingdom, the United States, the European Union and other nations as a means of preserving and promoting competition and of protecting the public from monopolistic and other restrictive trade practices. In view of the foregoing, therefore, all of FONASBA's activities will be conducted in compliance with its Anti-Trust/Competition Law Guidelines.

These statements apply to FONASBA as an organisation, and also to its member associations during such times as they are engaged in the activities of FONASBA. They shall not, however, be construed as applying to, binding or in any way relating to the actions, communications and other activities undertaken by FONASBA member associations outside the aforesaid FONASBA activities and FONASBA cannot be held liable for any actions so taken by its members. It shall be the responsibility of individual member associations to put in place their own anti-trust/competition compliance regimes and to ensure compliance therewith.

#### **Anti-Trust/Competition Law Guidelines**

Within the context stated above, FONASBA, its membership and staff are committed to free competition and as a consequence will comply with all the aforesaid anti-trust/competition laws as they apply to all the activities the Federation, its membership and staff shall from time to time undertake.

Accordingly, all FONASBA meetings, including the Annual General Meeting, Council and Executive Committee meetings, as well as those of subsidiary committees, the ECASBA Advisory Panel, working groups, regional range committees and other bodies established by FONASBA shall be conducted in accordance with these guidelines.

All publications produced by FONASBA shall conform to these guidelines.

All advice/information given to members by FONASBA staff shall be in conformity with the guidelines detailed overleaf.

*Continued on page 31*

*Continued from page 30*

**Guidelines:**

All agenda and minutes of meetings shall confirm that the meetings have been conducted in accordance with FONASBA's Anti-trust/Competition Law Guidelines;

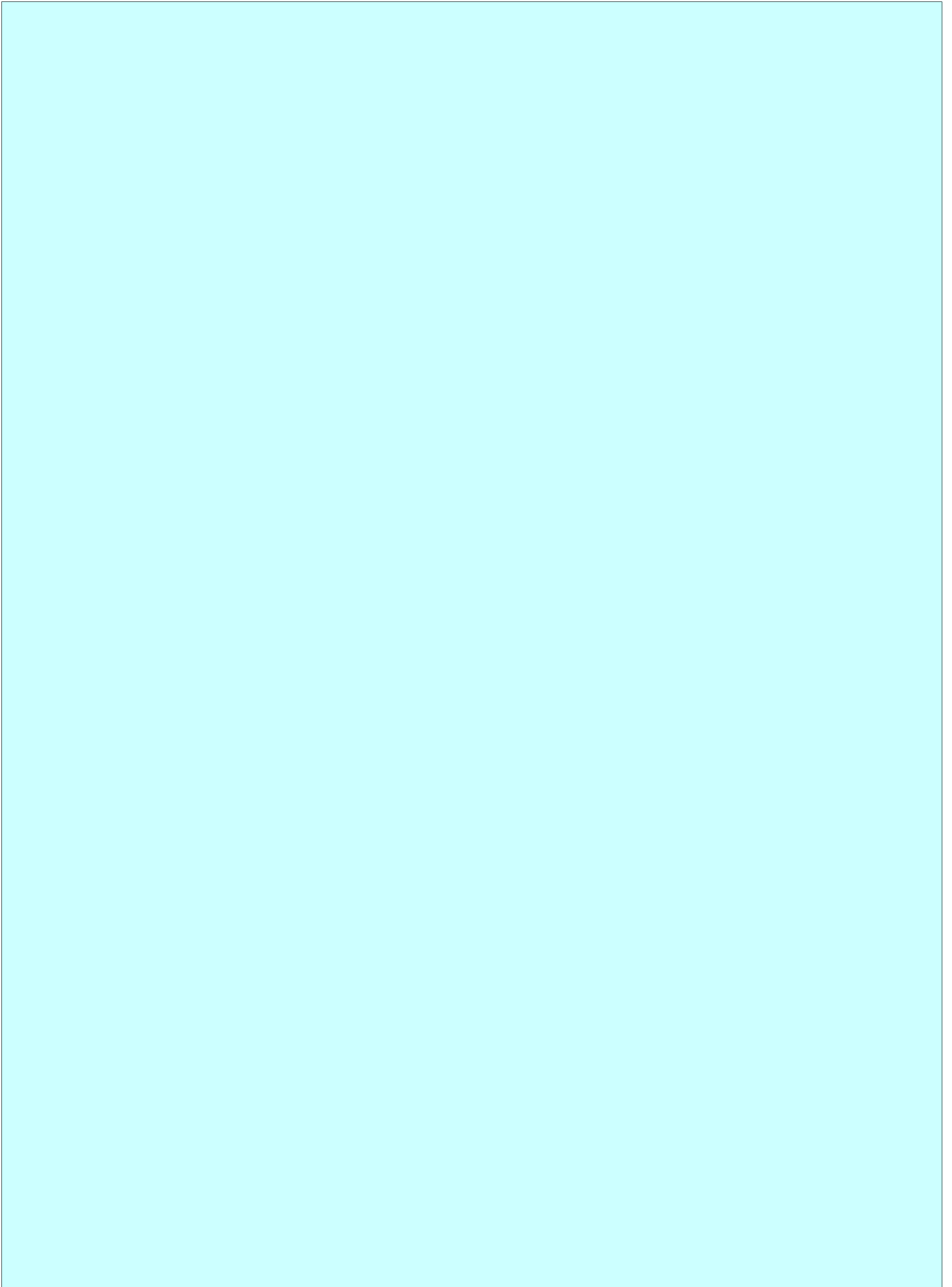
Neither FONASBA nor its members shall engage in any discussions on or agree upon:

- Fixing of terms, prices, rates
- Matters relating to particular customers or suppliers
- Boycott or black list particular customers or suppliers
- Dividing markets or customers
- Otherwise seeking to distort competition

**Implementation:**

In the light of the foregoing, the undernoted statement is read out at each meeting of FONASBA and same prefaces the minutes of any meetings held under the auspices of FONASBA:

**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**





# APPENDICES

On the following pages will be found:

The FONASBA Code of Conduct 2008

The FONASBA Quality Standard Criteria 2017

The FONASBA Expenses Policy

Annual Meeting Host Information

This Code of Conduct forms an integral part of the Articles of Association and By Laws and should be read in conjunction with same:

## **FONASBA CODE OF CONDUCT**

### **October 1998, revised October 2008**

#### **PREAMBLE**

#### **WHEREAS**

1. FONASBA has as one of its primary objectives, the promotion among its members of a fair and equitable practice of the professions of ship broker and agent,
2. FONASBA is urging all national associations to achieve and maintain the highest professional standards, encourages any association wishing to do so to avail itself of the possibility of seeking official approval of its government,
3. FONASBA has for that purpose laid down the following Code of Conduct:

#### **CHAPTER 1**

#### **GENERAL**

Members will at all times

1. act in accordance with all national laws and other regulations of the countries in which they operate,
2. adhere strictly to the principles of honesty and integrity,
3. operate in a sound and honourable financial manner,
4. ensure that all the principal's business being handled is dealt with in confidence,
5. co-operate with and contribute to the efforts of the appropriate authorities to combat all illegal activities such as, but not limited to, maritime fraud and the trade in banned drugs,
6. agree to provide every assistance to the principal and the master of the vessel in ensuring, so far as possible and subject to the limits of responsibility of the agent, that the vessel's statutory obligations to appropriate and relevant national, regional and international authorities are discharged in an orderly and timely manner.

#### **CHAPTER 2**

#### **STAFF PROFESSIONAL QUALIFICATIONS**

#### **SHIPS' AGENTS AND SHIPBROKERS**

Members will

1. employ experienced professionally qualified staff to cover all aspects of the business being undertaken, so as to ensure the proper performance of all the functions of ship agent and shipbroker,
2. encourage such staff to improve its professional capacity qualifications by assisting it to study and pass examinations based on the syllabi of recognised international shipping authorities/educational institutions.

*Continued on page 35*

*Continued from page 34*

**CHAPTER 3**  
**PROFESSIONAL CONDUCT**  
**SHIPS' AGENTS AND SHIPBROKERS**

Members will:

1. ensure that all activities are carried out honestly within the highest standards of professional integrity,
2. by proper management control, create and maintain a high standard of confidence that all duties will be performed in a conscientious and diligent manner,
3. observe all national and international laws and any local regulations appertaining to the shipping industry,
4. operate from a permanent address with all the necessary facilities and equipment to conduct business in an efficient and timely manner,
5. take great care to avoid any misrepresentation and ensure that all activities are subject to the principles of honesty and fair dealing,
6. ensure that for all dealings, the necessary authority is held from the proper party and that no action will be taken which knowingly exceeds that authority,
7. ensure that brokers, acting for an owner, shall only offer firm a vessel for any one cargo at any one time,
8. ensure that charterers' brokers will only make firm bids of a cargo or cargoes to one vessel or one shipowners' broker at any one time,
9. ensure that a vessel or cargo will not, in any circumstance, be quoted unless duly authorised by a principal,
10. ensure that all business enquiries are bona fide by making all reasonable enquiries before placing them on the market.

**CHAPTER 4**  
**CORPORATE RESPONSIBILITY**

Members will encourage key personnel to:-

1. develop strong professional relationships with all customers and principals,
2. accept responsibility and accountability,
3. ensure a good and safe working environment for all concerned,
4. establish a stable business environment to ensure that all costs are economically based and provide a reliable service to clients.

*Continued on page 36*

*Continued from page 35*

## **CHAPTER 5 FINANCIAL STABILITY**

Members will

1. recognise the prime importance of protecting and safeguarding all principal's funds and take all reasonable steps necessary to achieve this objective,
2. have adequate financial means to perform the company's activity,
3. arrange a detailed annual audit by established and qualified accountants,
4. undertake to maintain all accounts in accordance with the legal requirements within the jurisdiction of their appropriate legal authorities,
5. maintain adequate liability insurance cover in respect of errors and omissions with an internationally recognised mutual club or insurance company.

## **CHAPTER 6 DISCIPLINE**

Each national association will

1. recommend to its members, unless such is in conflict with any official regulation, the desirability of accepting self-regulatory control by agreeing to adhere to FONASBA's Code of Conduct,
2. have its own established disciplinary procedures to investigate breaches of the Code and to take such measures as may be necessary against offenders.

## THE FONASBA QUALITY STANDARD

Version 7.0—Approved by Council October 2017

### DEFINITIONS:

<b>FONASBA:</b>	The Federation of National Associations of Ship Brokers and Agents
<b>FULL, ASSOCIATE, CLUB and CANDIDATE MEMBER, COUNCIL, EXECUTIVE COMMITTEE:</b>	The meaning of these terms shall be as defined in the Articles of Association and By Laws of FONASBA, as amended from time to time
<b>CODE OF CONDUCT:</b>	The FONASBA Code of Conduct as incorporated in the Articles of Association and By Laws of FONASBA, as amended from time to time.
<b>SHIP BROKER</b>	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.
<b>SHIP AGENT:</b>	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.

*Continued on page 39*

## 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 standard 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<sup>1</sup>, 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

*Continued on page 40*

<sup>1</sup> 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

*Continued from previous page*

- 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.

*Continued on page 41*



## 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 Committee<sup>2</sup> 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.

<sup>2</sup> 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

## FONASBA EXPENSES POLICY

Any member of the Executive Committee, or an individual authorised by that Committee, who is required to travel exclusively on behalf of FONASBA shall be entitled to claim reimbursement for the expenses incurred as follows:

Any such travel must be sanctioned by the President in advance

All travel will be undertaken in Standard or Economy Class as applicable. If the individual wishes to upgrade, they may do so at their own additional expense

Tickets should be purchased as far in advance of the date of travel as possible in order to obtain the cheapest fare

Reasonable expenses for hotel accommodation, taxis, food and refreshments will also be reimbursed against receipted invoices

All requests for reimbursement should be detailed on the FONASBA expenses form, accompanied by supporting vouchers and sent by post (alternatively scanned copies may be sent by e-mail) to the Secretariat within one month of the date of travel.

## ANNUAL MEETING HOST PROCEDURE

Applications to host an Annual Meeting are invited two years in advance. The Secretariat will notify all Full Member associations in January that applications to host the Annual Meeting two years hence are open and provide the undernoted information together with indicative registration and hotel costs (see 5 overleaf).

National associations wishing to apply to host an Annual Meeting are asked to apply to the Secretariat in accordance with the following:

The formal application should be made in the name of the association, signed by the President/Chair and the Secretary/General Manager etc., (as appropriate) and shall be in the following form or similar:

*QQ*

*We, (insert name) and (insert name), being respectively (position) and (position) of the (Association name) wish formally to apply on behalf of our association to host the FONASBA Annual Meeting in (year, two years hence).*

*We confirm that the (Association name) has discussed this proposal within its management committee and is fully aware of the obligations the association will be required to undertake if this application is successful.*

*We agree to abide by the decision of the Council with regard to the venue for the (year) Annual Meeting and also understand that all expressions of interest in hosting the (year) Annual Meeting, other than that chosen, will be void once Council has made its decision.*

*Signed (Association officers)*

*UNQQ*

The application should be sent to the FONASBA Secretariat ([generalmanager@fonasba.com](mailto:generalmanager@fonasba.com)) and received by **close of business on 31<sup>st</sup> May (current year)**.

In support of the application the association will provide a proposal for the Annual Meeting, including indicative dates and an outline programme for work and social programmes.

In the event of more than one application being received by the closing date, the Executive Committee will consider all applications fairly and on their merits before presenting the alternatives, plus its own recommendation, to the (current year) Council Meeting for a decision. As part of its consideration process the Executive Committee may request further information from the applicant member.

The application process will apply to one Annual Meeting at a time so once the venue for a particular year is chosen, all other expressions of interest are void. The candidates not chosen may of course offer again for the following year. Applications will be welcomed from two or more associations wishing to jointly host a meeting.

### **Associations considering applying to host a meeting should be aware that:**

1. The current schedule for an annual meeting is as follows:
  - Day 1: All day: Executive Committee Meeting
  - Day 2: A.M.: ECASBA Plenary Meeting, P.M.: Ship Broker Committee Plenary Meeting
  - Day 3: All Day: Ship Agent Committee Plenary Meeting
  - Day 4: A.M.: Local seminar, port visit or similar, Association Best Practices Committee Plenary Meeting, P.M.: Council Meeting
2. Financial assistance from FONASBA is strictly limited to the registration fees payable by delegates and accompanying persons.

*Continued on page 44*

*Continued from page 43*

3. Appropriate sponsorship is welcomed but FONASBA does not allow overtly commercial promotions or presentations to be held during the meeting.
4. The Secretariat will be responsible for arranging the work programme, the provision and distribution of agenda, supporting papers etc., The host association will be responsible for all local matters, including the selection of, and liaison with, the meeting hotel, the production of the information booklet and identity badges, development of the social programme, administering the registration and accommodation booking processes and receiving registration fees. The Secretariat will also provide such assistance to the local association as may be required or necessary. The association may also wish to establish a dedicated website or include pages within their own site for the purposes of receiving registrations and distributing information about the meeting. A detailed summary of the split of responsibilities between the FONASBA Secretariat and the host association accompanies this paper.
5. The proposed hotel should be to a reasonable standard for business travellers. In order to ensure that attendance at the event is affordable for all associations, indicative registration fees and hotel accommodation rates will be provided for the guidance of applicant associations applying to host in the specified year. Please note that the indicative registration fee includes the Euros (€)50.00 that is payable to FONASBA for each delegate and partner registered.
6. Traditionally the delegate package includes accommodation on bed and breakfast basis. Accommodation on a room only basis is acceptable if this is normal custom and practice in the proposed location. If room only accommodation is proposed, it should be clearly stated on the application. The delegate package should also include coffee breaks during the morning and afternoon sessions and ideally a seated lunch with appropriate refreshment provided.
7. The social event programme should as a minimum consist of a Welcome Reception and a Gala Dinner. Delegates, partners and local guests and sponsors can attend both events. Other social events during the time of the meeting can be arranged should the association so wish. An optional excursion after the meeting, to a local place of maritime, historic or other interest to delegates and partners may be organised after the main meeting, for which an additional fee may be charged.
8. The host association may also propose a programme for partners. The exact nature of the programme is at the discretion of the host association.

A table of the responsibilities of the host association and the FONASBA Secretariat is provided on the following page. The Secretariat is available to assist applicant associations to develop their proposals and to provide any additional information or guidance that may be required.

## FONASBA ANNUAL MEETING - BREAKDOWN OF RESPONSIBILITIES

ITEM	HOST	FON.	NOTES
Hotel accommodation	X	X	Delegates will register directly with hotel and settle own accounts. General Manager (GM) will liaise with host association with regard to provision of/payment for accommodation for guests/speakers etc.
Delegate registration	X		Host association will determine the applicable registration fee to be set in the local currency and nominate the appropriate bank account. Delegates will remit registration fees directly to the host association.
Work programme		X	GM to set meeting programme, draft and circulate meeting agenda and supporting papers – in consultation with committee chairmen.
Minutes etc.		X	GM to take/circulate minutes.
Table cards, flags etc.		X	GM to produce/provide table cards and table flags and large FONASBA flags
Supporting papers	X		Host association to provide small number (5-10) copies of supporting papers for each meeting
Audio – visual equipment	X		Host association to arrange projector, screen sound system and internet connection for presentations. GM to provide laptop.
Social programme	X		Host will arrange all social programmes for delegates and accompanying persons.
Seminars	X	X	Host association/GM will liaise on all aspects, including speakers etc., as appropriate.
Delegate badges	X	X	GM to provide names details, host association to produce badges locally.
Attendance List	X	X	GM to provide list of delegates/accompanying persons, host association to produce copies locally.

For further information on FONASBA,  
the organisation's aims, objectives and membership, or  
any of its other activities

please contact the London Secretariat

The Baltic Exchange  
St. Mary Axe  
LONDON  
EC3A 8BH

Telephone: + 44 20 7623 3113  
E-mail: [generalmanager@fonasba.com](mailto:generalmanager@fonasba.com)

or visit our website:

[www.fonasba.com](http://www.fonasba.com)