

FONASBA MEMBERSHIP ENQUIRY



ENQUIRY RESPONSE FORM

ORIGINATING ASSOCIATION:	ALEXANDRIA CHAMBER OF SHIPPING (Egypt)
ENQUIRY DETAILS:	<p><i>Prior to the release of containers units to local importers and exporters, shipping lines/agents may require some form of a guarantee that the user will return the container to the terminal/depot in same condition. To ascertain if this practice is widespread, we would like your input on the following questions: -</i></p> <ol style="list-style-type: none">1. <i>Do you have similar practice in your ports?</i><ol style="list-style-type: none">a- <i>Yes</i>b- <i>No, the release is without any guarantee</i>2. <i>If yes, who is required to present the guarantee to the shipping line/agent?</i><ol style="list-style-type: none">a- <i>Freight Forwarder</i>b- <i>Trucker / Haulier</i>c- <i>Importer or Exporter</i>d- <i>Others</i>3. <i>How is the guarantee provided to the shipping line/agent?</i><ol style="list-style-type: none">a- <i>Bank Letter of Guarantee</i>b- <i>Bank Checks</i>c- <i>Letter</i>d- <i>Others</i>4. <i>Do members have their own procedures in place to notify the trade about similar practice and do they give notice before they implement such practice?</i>
REPLY TO:	admin@fonasba.com
CLOSING DATE FOR REPLIES:	26th August 2020

RESPONDING ASSOCIATION COMMENTS: (Please include any attachments)

Algeria	<ol style="list-style-type: none"> 1. Yes 2. Freight Forwarder 3. Bank checks 4. For big account customers , no Guarantee required; Customer or Freight Forwarder have to negotiate with shipping company this subject before beginning of the operations.
Argentina	<ol style="list-style-type: none"> 1. Yes 2. Consignee / shipper 3. Letter 4. No. Letter varies from line to line. However, a regular warranty letter reinforces the obligation to return containers within a certain term, and the rate of demurrage. The letter sets the scope of liability for the use of the unit. It also makes liable the consignee for damages to the unit and/or to third parties due to the unit. The Centro de Navegación is actually working with other entities in order to explore the possibility of migrating the actual system to one considering a digital warranty letter.
Australia	<ol style="list-style-type: none"> 1. Yes - Guarantee provided via Bill of lading 2. Importer or Exporter 3. Via Bill of Lading 4. Most shipping lines use the Bill of Lading as a means of ensuring contractual arrangements are adhered to.
Bahrain	<ol style="list-style-type: none"> 1. No, the release is without any guarantee 2. N/A 3. N/A 4. Currently such practice is not implemented in Bahrain. However, it would be ideal to give a notice to the local trade, before executing such process.
Brazil	<ol style="list-style-type: none"> 1. Yes 2. Importer or Exporter 3. Liability letter 4. In many cases the terms and conditions are defined during the contract negotiation. The free time granted depends on the annual volume carried, as well as the type of goods. It is also becoming more common to contract an insurance to cover possible losses such as demurrage, detention or container damages.
Bulgaria	<ol style="list-style-type: none"> 1. Yes 2. Freight Forwarder 3. Letter of Guarantee or Promissory Note signed by the Freight Forwarder. 4. The Forwarders/Clients will be informed about the procedure if and when they insist on merchant haulage only.

Croatia	<ol style="list-style-type: none"> 1. Yes 2. Freight Forwarder 3. Delivery Order 4. No. Agents are acting only on the instructions of their Principals.
Cyprus	<p>With regards to the attached survey from our colleagues in Egypt, kindly be advised that the release of containers is conducted without any form of guarantee.</p> <p>Instead there is in place a system and at the gate of our container terminal at which any container entering the gate is checked for damages and if there are substantial damages the container is not accepted and sent for repairs at the expense of the original consignee. Cypriot Traders are aware of the said prevailing system.</p>
Denmark	<ol style="list-style-type: none"> 1. No, the release is without guarantee 2. N/A 3. N/A 4. Danish shipping companies operate under liberal laws and are subject to market conditions only. Shipping lines and the agents have different handling fees and they are not limited by law and neither need the approval from the authorities.
Dubai	<ol style="list-style-type: none"> 1. Yes 2. Freight Forwarder 3. Letter 4. Members have their own procedures
France	<p>As far as France is concerned, common practice implies shippers and forwarders are aware that containers must be returned on depot or terminal in same condition. It is, in most cases, mentioned on BL clauses.</p> <ol style="list-style-type: none"> 1. No, the release is without any guarantee 2. Not relevant 3. Not relevant 4. Shipping Line trade is aware of country practice.
Greece	<ol style="list-style-type: none"> 1. Yes. The amount depends on the type and size of the container and if dem/det have occurred, at the time of release of the container. 2. Depends on the person who will take the delivery order. For sure is Freight Forwarder (if involved), Importer or Exporter, and 'other' (where 'other' is the Custom Broker) 3. Bank checks and 'other', where 'other' is cash deposit, or 'open check' accompanied with a Letter. 4. No.

Hungary	<p>1. No, the release is without any guarantee.</p> <p>Hungary is a landlocked country with inland container terminals, therefore operational practices, formalities are different from formalities and protocols in Ports. In this case, container owners asking guarantees if they needed, otherwise only free detention time and detention cost pushing clients to drop down empty units on dedicated depots.</p>
Israel	<p>We, as shipping agents, have the responsibility towards our principals to ensure collection of funds relating to the safe, sound and clean container return to the carrier depot. There are various means to practice such assurance, amongst which is a letter of guarantee, or a cash deposit requested from the authorised party who releases the delivery order from the shipping agent. It should be emphasized that there is no common or agreed upon procedure, as it is strictly forbidden by the Israeli anti-trust authorities. Each agent adopts its own individual way to adhere to its own principal.</p> <p>Answers to the questions:</p> <ol style="list-style-type: none"> 1. Yes 2. Other. See above. 3. Other. See above. 4. See above.
Italy	<ol style="list-style-type: none"> 1. Yes 2. Freight Forwarder, Importer 3. Banks Checks, Letter. 4. We notify the involved party in case of need.
Japan	<ol style="list-style-type: none"> 1. No, the release is without any guarantee 2. N/A 3. N/A 4. No
Jordan	<ol style="list-style-type: none"> 1. Yes 2. Importer or Exporter 3. Bank check 4. Yes, each member has his own procedure based on principle direction. <p>Common notice is between 15-30 days based on the type and sensitivity of the changes.</p>
Lithuania	<ol style="list-style-type: none"> 1. Yes 2. Freight Forwarder, Trucker / Haulier, Importer or Exporter, Others – everyone who have authorization from freight forwarder. 3. Letter, Others - Merchant Agreement. 4. No

Mexico	<ol style="list-style-type: none"> 1. Yes 2. Importer or Exporter 3. Bank Checks, Letter, Money Transfers, agreements. 4. Yes, they have their own procedures and they give notice before they implement.
Montenegro	<ol style="list-style-type: none"> 1. No, the release is without any guarantee 2. N/A 3. N/A 4. No procedure in place.
Mozambique	<ol style="list-style-type: none"> 1. Yes 2. The consignee or whoever he empowers to collect his goods 3. Bank cheques, LOI and some opt for Bank Letter of Guarantee 4. Yes
Netherlands	<p>Generally no guarantees are requested, but occasionally this might be required (e.g. when consignee is situated in a foreign country far away from the discharging port). There is no general policy for this and it is up to the individual members how they are acting commercially during these kind of circumstances.</p>
Peru	<ol style="list-style-type: none"> 1. No, the release is without any guarantee.
Portugal	<ol style="list-style-type: none"> 1. No, the release is without any guarantee.
Romania	<ol style="list-style-type: none"> 1. Yes 2. Freight Forwarder 3. Letter 4. No
Russia	<ol style="list-style-type: none"> 1. Yes 2. Port forwarder 3. General Duty to be signed before cargo/container release. 4. Customers get informed of the procedure as soon as they apply to Carrier for cargo/container release.
Slovenia	<ol style="list-style-type: none"> 1. No, the release is without any guarantee. <p>Importers/Exporters must return the container in same conditions as received. Condition of container is monitored/checked by port during discharging from the vessel.</p>
South Africa	<ol style="list-style-type: none"> 2. Freight Forwarder 3. Bank Guaranteed Check 4. A notice would be circularised to all importers/exporters advising them of the requirement beforehand. Generally applied when containers travel over border.

Spain	No guarantee is usually required in Spain. Clients pick up their units -sometimes with a fee to arrange own haulage- but some companies restrict the merchant haulage to certain clients. In any case, units are usually released against an interchange receipt and that's sufficient to claim them any damage incurred to units while under their custody.
UK	1. No, there is no requirement for a deposit or guarantee.
Uruguay	1. Yes 2. Importer, Exporter or your representatives 3. In the Import: Letter + Equipment Interchange Receipt In the Export: Booking + Equipment Interchange Receipt 4. Yes.
USA	In the US, container carriers will only release equipment to trucking companies who have registered with the UIIA (<i>Uniform Intermodal Interchange & Facilities Access Agreement</i>). In the interchange agreement, the trucking company accepts responsibility for returning the equipment to the proper location.
Venezuela	1. Yes 2. Importer or Exporter 3. Letter 4. Yes for both. It is common practice in Venezuela.