

THE PROFESSION OF THE SHIP AGENT IN 2025 – THE INFLUENTIAL SCOPE OF A QUALIFIED ADVISORY AGENTS WITHIN THE CHARTER-PARTY STRING

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BRAZIL

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*Santos branch: 1958.
Wilson Sons' historical
records*



*MV Ocean Energy
under discharge in
Salvador Port. Wilson
Sons' historical records*



Tubarao Terminal in 60'S. Wilson Sons' historical records



MV Banbury in 1978. Wilson Sons' historical record

INTRODUCTION

Ship agents play a fundamental and multifaceted role in today's shipping industry. Their responsibilities encompass a broad range of tasks that contribute significantly to the smooth execution of charter party agreements, broader logistics chain as well as Ships's maintenance schedules. As global trade continues to evolve amid growing complexities and uncertainties, the role of the ship agent is increasingly shifting from operational executor to strategic advisor.

Over the past decades, rising global demand for goods and services has intensified the volume and complexity of maritime logistics. Even during major global disruptions—such as the COVID-19 pandemic (2019–2022), the ongoing war between Ukraine and Russia since 2022, and ongoing geopolitical tensions between the United States and China—the shipping industry has demonstrated remarkable resilience. In such turbulent times, ship agents have had to provide smart, adaptive, and professional support throughout the chartering process, aligning their operations with globally recognized best practices and customs.

In the words of DP World Chairman Ahmed Bin Sulayem, as cited by the Institute of Chartered Shipbrokers in *Shipping Business (2020)*:

"As one of the original drivers of human civilization and commerce, maritime transport has seen many transformational developments over the ages. From the simple oar to sail and steam engines, to electric and nuclear power, it has been a long journey in search of efficiency and excellence."

These values -efficiency and excellence- are more relevant than ever in today's maritime landscape. Not many of us, I think, would ever get used to all the infinite possibilities that might be created to facilitate commerce between the countries. Some of them playing a key role are: Sellers and importers, third man players, freight forwarders, business intelligence teams, clearing agents, carriers and NVOCC, regulatory bodies, Flag state Authorities etc. It is clear that all stakeholders are seeking not just routine services, but also streamlined technologies, high standards of compliance, and reliable partners capable of providing insightful, in-depth knowledge and risk mitigation to support the success of their operations.

After nearly two decades in port operations, logistics, freight, and customs brokerage, I can confidently say the maritime industry is heading toward a more dynamic, data-driven, and competitive future. Chartering agreements now involve a wide spectrum of players—exporters, voyage and time charterers, stevedores, brokers, unions, suppliers, and port authorities—each operating under increasingly complex legal and operational frameworks.

According to the *Institute of chartered shipbrokers, Shipping Business 2020 version*:

"The world's merchant fleet still carries 90% of international trade by volume; accounts for more than a third of the value of global trade and generates millions of jobs".

Well, with approximately 90% of global trade by volume still transported by sea, and the maritime industry employing millions and driving over one-third of global trade value, the ship agent must evolve to remain relevant.

In this context, the ship agent's deep knowledge of shipping fundamentals, port procedures, commercial law, civil liability, operational nuances and international regulations becomes not only relevant but essential.

As stated in Module 1 of Introduction to the Shipping World under the section "Challenges for Ship Agents in the 21st Century":

"This is a big challenge for the future and should be seen as an opportunity to participate in the ever-demanding world of continuously improving service. You need to know what your principal's needs are—and meet them!"

THE SHIPPING AGENCY TOWARDS NEW MARKET TRENDS

I should begin this topic by saying that there is a diversified range of shipping agency scopes totally subject to Principals' needs, that could vary from Port Agents, acting on behalf of Charterers, Owners, Sellers or Receivers, until Liner Agents, Protecting Agents, Husbandry Agents and Advisory Agents (last one might be deemed as overall scope and covering all possible jobs and qualifications).

However, the way of doing business nowadays has a "new" factor which has been notoriously present in commercial activities: Market intelligence.

For Mr Marcelo Neri, President of national agencies (FENAMAR): "the Shipping Agent is not only a vital link acting with the players within the foreign trade, but also as an "Intelligence arm", ranging from the anticipation of vessel berthing to documentation procedures, and from the optimization of port dwell time to comprehensive data management, these measures exert a direct influence on the national competitiveness of our products".

<https://www.atribuna.com.br/opiniao/de-popa-a-proa/agente-maritimo-uma-engrenagem-de-inteligencia-1.460939>

Yet at this reasoning, Mr Renan Queiroz, Commercial Manager in Wilson Sons Shipping Services, mentioned that:

"In the past, many industry players capitalized on the lack of port data — with traders exploiting competitors' limited access to information or even requesting that their own data would not be disclosed. In today's world, however, information about cargo inputs and outputs and the stakeholders involved has become much more accessible.

Traditionally, Shipping Agents have played a key role in providing clients with market statistics to support a better understanding of local dynamics. In the current landscape, this role has become even more critical.

Shipping agencies are increasingly investing in information technology and leveraging their presence at key operational points. The daily vessel line-ups they produce are transformed into

valuable datasets, which are widely utilized by various market participants, including shipowners, charterers, traders, and brokers.

In this evolving context, the Agencies are also emerging as a data-driven service provider. For those leading this transformation, the ability to deliver reliable, well-structured, and actionable data offers a significant competitive edge — particularly when presented to clients in a clear and accessible manner."

Upon illustrating the intelligence market trend and suggesting its importance, I might say it is not the main thing in its core activity. More than that, Ship Agencies are always looking to set a smarter and trustful environment, right in line with their Customers' needs, aiming to provide in-depth information about Vessels movements, cargo readiness, Port updates and qualified behaviour during normal or critical situations.

PROFESSIONAL BACKGROUND: UNDERSTANDING THE RELATIONSHIP WITH PRINCIPALS

In a nutshell, as highlighted by ASBA in Ship Agency Handbook, international edition: "Agency is the name given to the legal relationship which arises when two or more parties enter into an agreement, whereby one of the parties, called the agent, agrees to represent or act for the other, called the principal, subject to the principal's right to control the Agent's conduct concerning the matters entrusted to him. Anything a principal is empowered to do may be assigned to a ship agent who then performs the designated acts on behalf of the principal. A fiduciary relationship exists between the agent and his principal. This is a relationship whereby the principal entrusts the agent to protect the principal's interests". On the other hand, Principals have the following types of identity:

- In a disclosed principal scenario, the principal's identity is known to the third party during the agent's transaction.
- The disclosed principal is bound to and responsible for contracts made by an authorized agent on their behalf.
- In a partly-disclosed principal scenario, the principal's identity is not revealed, although the third party is aware that a principal exists.
- Both the partly-disclosed principal and the agent can be held liable in a partly-disclosed scenario, unless agreed otherwise.
- For example, a shipper might request an agent to obtain stevedore costs without revealing their identity to prevent information sharing.
- Agents should consistently inform service providers that they are acting on behalf of a principal.

THE UNDISCLOSED PRINCIPAL

- An undisclosed principal's existence is unknown to the third party at the time of a transaction and is not bound by the agent's agreements. When an agent doesn't disclose whom, they're acting for, the agent is liable to the third party. The undisclosed principal cannot be sued for non-performance. To avoid liability, agents should disclose they are acting as an agent and the principal's identity.

This type of disclosure may operate as a safeguard for the agent against direct liability to third parties arising from contracts executed on the principal's behalf.

FOUR TYPES OF PORT CALLS: HOW SHOULD THE AGENTS ADDRESS SAFE PERFORMANCE

The commercial players, by contrast, face problems which, though they have their theoretical angle, are essentially practical-problems like "which-way-to-go" and "how-to-make-it" type, problems which call not merely for comprehension but for decision and action too.

Understanding these players' needs is thus one of key points that shall be deemed to by a wise and sophisticated Agency desk. Behind all these scopes, below we will briefly look into each of them as follows:

- Charterers' Agents: appointed by a Disponent Owner (Carrier), in line with Charter-party contents, being deemed to tender the Vessel on behalf of a domestic or foreign Carrier for commercial purposes (cargo loading / unloading or transshipment). Despite being acting for an Owner, Agents often work for the Voyage Charterer, which generally might be a cargo seller, when a sales contract refers to a CFR, CIF or group D (see Incoterms 2020 or some oldest version) or a cargo buyer / trading company when a sales contract refers to FOB condition, looking after Charterers interests and satisfaction, therefore affording being selected by a cargo Charterer. This type of Agency appointment is more commonly observed in commodities fields, like: agricultural products, iron ore, fertilizers, minerals etc.
- Owners' Agents: appointed by a Disponent Owner (Carriers), this kind of appointment is very subject to charter-base or booking note agreement, also considering some specific kind of cargoes like: break-bulk, neo-bulk, project cargo, RO-RO, containers, forest products, and others. Agents, on this scope, will solely work to Owners and their best interests, which are, mainly to arrive in a customary port area, berthing, loading or unloading the goods, and sailing in a quicker way. Generally, either Sellers or Buyers agree with the condition of Agents nomination coming from Owners, which also reflects a big portion of Owners responsibility and risks, taking into account the freight does not apply demurrage nor despatch terms (see indefinite laytime section). Such conditions supposedly give more control to Owners.
- Protective Agents: appointed by whoever is in need to be represented by a local Agent during said port call. This particular Agent might act to fulfil detailed or more subtle scopes as:
 - husbandry matters to a manning department or ship manager;

- attending a distress call to a Ship containing a sick seafarer who needs a first-response doctor assistance;
- renew a compulsory certificate;
- provide Principals with official supporting documents related to port expenses;
- screening the Port Agents' "Disbursement Account";

→ Advisory Agents: also appointed by whoever is in needs,

- represent Owners before a Port Captaincy' detective inquiry;
- investigate the work of a "Port Agent" on behalf of an Owner or Charterer;
- instruct the Principals regarding legal matters, such as demurrage issues, misleading SOF (Statement of facts), mishandling and misunderstandings from Authorities, Brokers, Port Operators, customs brokers etc and how to anticipate and avoid such conflicts;
- take care of correct SOF insertion like: rainy periods, Ships cranes stoppages, draft survey and others;
- Vessels' arrest;
- Letters of protest and how to defend from them;
- conflicting issues regarding method of cargo ascertainment;
- Vessels over drafted;
- Vessels with deficiencies stated by Master;
- Dry dock for maintenance;
- Regulatory sides from Ports and Union bodies; How they affect Principals;

→ Hub Agents: Agents with global coverage and background designed for a specific niche (for instance, Inchcape Shipping Services with their own offices in every country and corner, specialized in liquid bulk calls).

According to ASBA in Ship Agency Handbook, international edition:

"A hub agent is similar to a general agent. The hub agent is under contract to the principal. The hub is a third-party service that the principal uses for outsourcing disbursement account management, port cost analysis, agency networking and supervision, document storage and communication systems. The hub agent may have offices worldwide or be contracted for a specific geographic area".

SHIPMENTS CHARACTERISTICS

Before we start to ascend our mountain of knowledge applied to the industry's needs, we need to stop and ask ourselves a very fundamental question - a question, indeed, that Agents or brokers always ought to put in place whenever a business is close to being materialized or even after an official appointment has reached your email. This question, in my humble opinion, concerns and drives the Agents' motives and intentions like: What is my ultimate aim in assisting the customer to reach a profitable business? What do the Agents know (in detail) about the particularities (legal minutia) of their contract, cargo and selected Port?

GOING THROUGH THE MAIN TERMS AND PROFORMA CHARTER-PARTY

The very greatness of the subject matter will place the Agents in an important position, understanding the cargo, port and contract points in detail.

First off, undersigned shall make reference to the existing (magnificent) work of BIMCO for the maritime industry since 1902.

BIMCO, Baltic and International Maritime Council, as per Clarkson's:

"The main purpose of BIMCO is to foster standardisation, transparency and professionalism across the global maritime industry. The organisation plays a key role in supporting smooth international trade by offering a framework for fair and efficient shipping transactions".

There are a diversified number of Charter-party specimens in the Internet, also in some platforms such as Scribd, so let's take a look at some of them.

NAME	VERSION	MAIN CHARACTERISTICS	GROUP
Gencon General condition	1994 / 2022	FIOS, SHEX, separate laytime, berth C/P, however in case a free berth is not offered when Vessel reaches port customary area, NOR shall be given within ordinary hours. Agents often nominated by Owners.	Break bulk and bulky cargoes.
Ferticon	2007	More flexible as to NOR and laytime rules, however NOR standard is SHINC. Agents often nominated by Voyage Charterers. Establishes reasonable standards for holds cleanliness. FIOST or FIOS LSD terms applied. Draft survey is the official method of cargo ascertainment. Loading agreed and commenced after the laydays period shall count as half laytime. Laytime at both loading and discharging ports shall commence only after 24 hours of NOR tendering.	Fertilizers
Sugar Charter-party	1997	1 or 2 safe ports. 1 or 2 safe berths. Stevedores FIOS Agents to be selected by Voyage Charterers. Charterers have the right to perform holds survey and hose test before the loading commencement. Ship to provide and lay sufficient dunnage and mats or kraft paper at its own costs. Possibility to use one hold / hatch exceeding more than 15 metres length and work as 2 gangs simultaneously with 2 Ship's gears.	Sugar
COA Iron ore pellets	N/A	Gearless single deck bulk carriers	Iron ore

Rider to Gencon C/P		maximum 18 years. Cargo nomination as per Charterers. Variation MOLOO. SHINC. WWWW ATDN	
Conline booking	2000	Loading and discharging port(s) and berth(s) are indicated by the Merchant, but arranged by Carriers. Consignee(s) shall load / discharge as fast as the Vessel can load or receive such cargo. Stowage as per Carriers instructions. Stevedores costs are flexible. It may be on the Carriers account, included in freight base.	Project / neo-bulk
Graincon	2016	Stevedores are FIOS spout trimmed. Cargo trimming, if additionally required, shall be at Master account. Fumigation at Charterers account. Berth charter-party. SHEX UU IUATUTC	Grains

MAIN TERMS

To focus this point further, allow me to introduce three things:

1. Main terms are the backbone of a Charter-party.
2. During the lifting of “subs”, there are 2 specialized professionals with a background in *Chartering*: A cargo broker and a Ship broker.
3. All negotiation stages shall be based on 3 pillars: ethics, communication and credibility.

First steps: When a cargo *Seller* is negotiating potential sales with its *Buyer*, they look to mutually investigate what is the best transportation type, shipment target dates, FOB + CFR (or CIF) prices, carriage-freight cost, ports of loading and discharging, along with the customary loading and discharging rates, then who will be responsible to take after freight as a *Voyage Charterer* and who will be “free of bother”. Once each role, and each party is made aware of, it is time to exchange proposals in order to fit in each goal.

Upon some rounds of offers, counter-offers and recap, we might see a fixture example containing a brief description of the main terms. Such fixture comes only through some prior acquaintance from Principals.

MAIN TERMS EXAMPLE AT C/P USING SHINC CONDITIONS:

QUOTE

CARGO: FULL CARGO OF 49,000 MT OF STEEL SLABS 5 PCT LESS UP TO MAX INTAKE OF THE VESSEL IN CHARTERERS OPTION.
VESSEL MAX ESTIMATE SHOULD BE AROUND 47,500~47,700TONS BSS 37 FEET SW (CHECKING WITH MASTER).
PORT OF LOADING: 1 SPSB MUCURIPE, BRASIL
LOADING RATE: 10,000 SHINC BSS 3 AVAILABLE HOLDS/ 3 AVAILABLE HATCHES / 3 AVAILABLE CRANES.
PORTS OF DISCHARGE: 1 SPSB ALTAMIRA, MEXICO
DISCHARGE RATE: 16,000 SHINC BSS 4 AVAILABLE HOLDS / 4 AVAILABLE HATCHES / 4 AVAILABLE CRANES
TAXES: OWNER SHALL BEAR ALL OFF-SHORE INFRASTRUCTURE RELATED COSTS SUCH AS INFRAMAR, CHANNEL FEES AND ALL SERVICE RELATED COSTS SUCH AS PILOT DUES, TUG BOATS AND AGENCY COSTS.
NOR AT LOAD POART: NOTICE OF READINESS MAY BE TENDERED UPON ARRIVAL OF THE VESSEL AT LOADING PORT AT ANY TIME DURING THE DAY OR NIGHT, SUNDAYS AND HOLIDAYS INCLUDED, WHETHER IN BERTH OR NOT, WHETHER IN FREE PRATIQUE OR NOT, WHETHER CUSTOMS CLEARED OR NOT, PROVIDED THE VESSEL IS IN ALL RESPECTS READY TO LOAD THE CARGO.

UNQUOTE

MAIN TERMS EXAMPLE AT C/P USING SHINC:

+++ QUOTE +++

- CARGO: FULL AND COMPLETE CARGO OF 7.500 MTONS OF BAGGED FOODSTUFF (SPAGUETTI, CORNFLOUR, VEGETABLE CREAM) IN BIG BAGS DIMENSION 1,10 X 1,10 X 1X5) – MAX 7 TIERS HIGH
SPAGUETTI - 1.091 MTONS BIG BAGS OF 1.100 KG EACH
CORNFLOUR - 6.300 MTONS BIG BAGS OF 1,000 KG EACH
VEGETABLE CREAM- 105 MTONS BIG BAGS OF 480 KG EACH
- POL: 1 GSP GSB AAAA RIO GRANDE
- POD: 1 GSP GSB AAAA GUARANAO, VENEZUELA
- OWNERS TO ASCERTAIN PORT RESTRICTION BOTH END
- LAYCAN: JUNE 28TH-JULY 10TH
- TERMS: FIOS/L/S/D
- LOADING TIME: 1.800T WWDAY SHINC
- NOR CAN BE TENDERED ATDNSHINC BENDS – 12 TURN TIME
- TAXES A/O DUES ON CARGO TO BE FOR CHRTRS ACCT INCLUDING ANY CARGO THROUHPUT CHARGES
- ANY/ALL TAXES/DUES/FEES/CHARGES/WHARFAGES/TALLY/ETC CALCULATED ON CARGO AND/OR FREIGHT TO BE FOR CHARTERER'S ACCOUNT INCL PUT AND MMR.
- DAILY MATES RECEIPTS TO BE ISSUED FOR THE QUANTITY LOADED ON BOARD IN THE LAST PERIOD
- MASTER ONLY TO ACCEPT SOUND/CLEAN CARGO / DAMAGED CARGO TO BE REPLACED BY CHRTS AT THEIR OWN COST AND TIME
- " VESSEL TO PRESENT AT LOAD PORT WITH CLEAN SWEPT HOLDS AND ALSO ALL RESIDUES FROM PREVIOUS CARGOES TO BE REMOVED FROM HATCHES AND HOLDS, INCLUDING OVERHEAD BEAMS.

UNQUOTE

During the fixture recap, Agents have a key objective that is providing the technical analysis of the candidate Vessel offered by Ship Brokers or the performing Owners. It has been something worthwhile in a way to validate the Vessel and its feasibility to berth and operate the intended cargoes at loading and discharging ports.

A few hours may be required by Traders and their brokers to Agents revert with written confirmation for such approval or non-approval with reason.

Final steps: Although I think the above terms and examples must be well known by our industry, my aim also seeks to identify opportunities to clear up the mind of those who never were involved in Chartering and Port practices. Therefore, from another standpoint, we have not yet said very much about shipbroking and its interrelationship with logistics and Ports.

Said that, some *Charter-parties* have some incorporated addendum - appendix containing rider clauses or important loading rules for which the Owners and brokers shall be familiar with.

See a sample as follows:

 Owner shall provide adequate vessels suitable for loading at Shipper's loading facilities. In this connection, Shipper indicates that the acceptable maximum dimensions for vessels loading at its piers at Ports are as follows:

Port of Tubarão:

Item	Pier 1 South	Pier 1 North	Pier 2
DWT Maximum	170.00 0 mt	210.000 mt	405.000 mt
LOA Maximum	285,00 m	301,00 m (LOP1) 320,00 m (LOP2)	365,00 m
Beam Maximum	43,50 m	51,00 m	66,00 m
Depth alongside	17,00 m	18,00 m	25,30 m
Draft alongside	16,00 m (LOP1) 13,00 m (LOP2)	17,0 0 m + 80% high tide(LOP	23,00 m final sailing draft subject to height of

* Iron ore at Tubarão Port

LAYTIME: HOW TO PROMOTE MORE EFFICIENT PORT CALLS

It is clear, to start with, that “knowing” Principals’ proforma Charter-party or the main terms is of necessity a more complex business than “knowing” the basics of the region where the shipment will be performed at.

In these few sentences we have said a very great deal. Our point here is to explore the details of sales contract and charter-party, endeavouring to significantly reduce the costs of the port call, potentially bringing them down to zero.

According to Mr. William V Packard, in “Laytime Calculating” from 1978: “Laytime can be simply defined as the time available to a charterer for a voyage-chartered ship’s cargo operations. By its nature laytime can only apply to voyage-chartered vessels and not to ships under demise (bareboat charter-party) or time-charter. If the available laytime is exceeded, the charterer has to pay liquidated damages, usually in the form of demurrage money, to the ship-owner. On the other hand, it is often agreed that if the available laytime is not fully used, the charterer is rewarded for time so saved by payment of despatch money from the ship-owner”.

In Coracle - dry bulk chartering course, laytime can be defined as:

“Laytime is the time permitted in a contract for loading and/or discharging a voyage-chartered ship. If this permitted time is exceeded, the owner or operator of the ship is entitled to damages. These damages are normally agreed to be liquidated, that is, a daily sum (or *pro rata* for part of a day) will be negotiated in the form of demurrage, payable for each day or part day of delay.

The demurrage rate is usually freely negotiated by the parties concerned during the fixing stage and will reflect market conditions prevailing then. Matters can change during the course of the voyage, but under most charter parties the rate of demurrage will not alter. Some charter parties restrict the period in which the demurrage rate applies. If the vessel is still delayed beyond this period, the owner can claim damages for detention instead of demurrage”.

This is the reason the fixture recap is so important to the chain, where sensitive items such as demurrage, despatch, duties with loading rate etc are so deeply discussed.

Mr William V Packard also said: “However, this basically straightforward statement can become a battleground, wherein charter-party clauses are interpreted in different ways with regard to exactly what time is available for loading or discharging or, alternatively, when laytime commences, is interrupted or ceases”.

The calculation of laytime can be divided into seven stages:

1. Read the relevant clauses in the governing contract
2. Obtain the “Statement of facts”.
3. Determine how much laytime is available, i.e. its duration.
4. Establish the commencement of laytime.
5. Allow for interruptions to laytime.
6. Establish when laytime will cease, i.e. Cessation, and
7. Calculate how much Despatch or Demurrage is payable.

WHAT DOES INVOLVE THE EFFICIENCY OF A “COMMERCIAL PORT CALL”?

Imagine, now, that you work for a Ship Agency specialized in agricultural products. Your principal is a global Trader with more than 10 million produced and traded yearly towards Brazil and Argentina to China. You shall give them reasonable and proactive performance by anticipating all relevant events and placing them in advice for any Owners misbehaviour, fake NOR tendering, holds unfit to load grains, or even avoid the FOB-Sellers from making wrong decisions as to the maximum contractual cargo intake, goods quality, or shipment bypass.

It is of paramount importance understanding the basics of demurrage and how it affects the day-to-day business profit, as previously mentioned. Below, we’re going to move forward a couple of messages exchange from undersigned in line with my principals’ inquiry:

Quote

HI SIR / THOMAS

WELL NOTED ABT JOB SCOPE.

USTAND WE SHOULD DAILY CHECK ABT PORT LOG EVENTS, IF THEY ADD UP B/W PORT AGENTS X MASTER RECORDS, AS WELL AS REGARDING RAIN LOG SINCE ARRIVAL UP TO DISCHOPS COMPLETION.

TRUST IT IS DOABLE ON OUR SIDE, HOWEVER SUB TO MASTER'S DAILY SENDING FOR OUR SCRUTINY, AS THE EVENTS ARE DISCLOSED BY THE PORT OPERATOR ONLY, IN A CONFIDENTIAL N PRIVATE SYSTEM.

IF SUITS YOU, KINDLY BRIEF US ASF:

- MAIN TERMS SHOWING WHATEVER RELEVANT TERMS AS TO AGREEMENT / RULES FOR LAYTIME COMMENCEMENT, INTERRUPTIONS, CESSATION, SHIFTINGS, BAD WEATHER ETC
- IS REQUIRED AGENTS BOARDING VISIT TO MONITOR CARGO DOX SIGNATURE IN THE END ?

PLSD TO HEAR

THANKS & BRGDS

THOMAS SILVA

UNQUOTE

Some items to point out:

- Agents shall have a clear picture of the job scope required.
- If the main terms can be disclosed or shall be kept private and confidential (P&C).

QUOTE

Dear Thomas,

Gd day,

My colleague Ismail is at summer vacation fr 2/3 days.

Ref to yr blw, pls note flwngs:

Ref.: M/V [REDACTED] COMMERCIAL QUAY

ATA 02-Aug-2024 at 02:50hs

NOR 02-Aug-2024 at 04:15hs

PROSPECTS AGW WP - COMMERCIAL TERMINAL - 201

- ETB 21-Aug-2024
- ETC 25-Aug-2024

++

-We have no further dispute with chrts regarding bad weather periods, anymore but may prfer to keep eye on her locally to avoid any wrong action against vsl/owner/crew.

M/V [REDACTED]

28.189 DWT ON 9,819 MTR SWD - BLT AUG 2010 (JAPAN)-TURKISH FLAG
SINGLE DECK - BULK CARRIER – CALL SIGN: TCYZ9 - IMO NO: [REDACTED]
LOA/LBP/BM/DM 169,37/160,40/27,20/13.60 MTR - GRT/NRT 17.025/10.108
5 HOLDS / 5 HATCHES – 4 X 30.5 MTN CRANES-CO2 FITTED
TPC: 39,60 MTN-TYPE OF HA/COVERS: IWAKITEC – FOLDING ~~HYDROLIC~~ TYPE
TOTAL GR/BL CAP: 1.317.978 / 1.262.258 CBFT
ALL ABT WOG

-ACCT [REDACTED]

-Disc terms: 5000 MTS PWWD SHINC - 12 HOURS TURN TIME BENDS
- NOR TO BE TENDERED BSS WWWW AT ANY TIME DAY OR NIGHT AT SHINC BSS 7/24
AND TURN TIME COMMENCE COUNT UPON MASTER TENDER NOR.
-SHIFTING IF ANY FM WAITING/LAYBY PLACE TO 1ST LOAD/DISCH BERTH, TO BE FR
OWS ACCT AND TIME NOT TO COUNT BE. SHIFTING BETWEEN 1ST AND 2ND
LOAD/DISCH BERTHS TO BE FOR CHRTS/SHIPPERS/RCVRS ACCT AND TIME TO COUNT
ASPER C/P TERMS BE.
-AT BENDS, CHRT HAS 4 CONS HRS AS GRATIS PERIOD FR CUSTOM CLEARED CGO DOCS
OWISE TIME TO COUNT AS L/T OR TIME ON DEM UNTIL CUSTOM CLEARED DOCS
ARRIVE ON BOARD. IT IS CLEAR THAT SUCH GRATIS PERIOD SHALL COMMENCE TO
COUNT ONLY AFTER COMPLETION OF LOADING & DISCHARGING OPERATIONS.
-ONCE ON DEMURRAGE ALWAYS ON DEMURRAGE BENDS
-IF VESSEL IS REQUIRED TO LEAVE THE BERTH(S) DUE TO PORT AUTHORITY'S DEMAND,
ALL EXPENSES ON ACCOUNT OF OWNERS ARISING FROM SUCH EVENT TO BE FOR THE
ACCOUNT OF CHARTERERS AND TIME TO COUNT FULLY AS LAYTIME AND/OR
DEMURRAGE AS THE CASE MAY BE
-Chrts/rcvrs Agent at SFDS: [REDACTED]
-AT DISCH PORT, GRABS TO BE SUPPLIED+PROVIDED BY RCVRS/CHRTS AT THEIR TIME
AND ACCNT

Cgo manifest and draft SOF is as attached

++

So, enable us to appoint you as owner's protecting Agent, will much appreciate to see
your quotation.

Tks in adv

UNQUOTE

We can fully realize that the above request means an "Advisory Agent scope" before the Customer, which requires a deep knowledge of local port customs, practices, and also a correct interpretation of the conveyed main terms.

Upon being selected as "Advisory Agents" by the performing Owners, also known the full job scope, a daily follow-up report, together with Port Captaincy's notice regarding "bar closure/reopening" and other Ship's SOF were sent to Principals, covering all berths located at the Public Port and vicinity areas, aiming to prevent the Receivers' Agents to make bad use of rainy periods into their SOF by placing the Principals in jeopardy due to excessive and senseless rainy logs ("Rain" is always problematic to Owners' end):

QUOTE

Dear [REDACTED], good day!

In connection with our last, kindly note below my comments as to the draft SOF.

Bad weather due to dense fog issues

=====

1/ Kindly note enclosed the "official statement" from Port Captaincy as to "Bar closure from 05th 2100lt up to reopening on 7th 0740lt".

2/ On Aug 3rd from 2200 to 2400 > poor visibility due to "fog issue" impacted on sailing maneuver from MV [REDACTED] from Berth#102. No impact at cargo operations while the designated Berth #201 was busy to MV Quetzal Arrow.

3/ On Aug 4th from 0000 to 2400 > poor visibility due to "fog issue". There were no maneuvers performed. No impact at cargo operations while the designated Berth #201 was busy to MV Quetzal Arrow.

4/ On Aug 5th from 0000 to 1900 > poor visibility due to "fog issue". No impact at cargo operations while the designated Berth #201 was busy to MV Quetzal Arrow.

From 1900 to 2100 > It was performed the Berthing maneuver of MV [REDACTED] on Berth #101. Also the Shifting of MV Quetzal Arrow from #102 to #201 (designated Berth).

It was officially declared the "bar closure" on Aug 5th as from 2100lt onwards.

5/ On Aug 6th from 0000 to 2400 > poor visibility due to "fog issue". Neither cargo operations nor IN / OUT maneuvers performed at designated Berth #201.

6/ On Aug 7th from 0000 to 0740 > poor visibility due to "fog issue". Neither cargo operations nor IN / OUT maneuvers performed at designated Berth #201.

Rainy periods

=====

Have double-checked the Port Agents records included into draft SOF and it is less than MV [REDACTED] rain records (see attached). * MV [REDACTED] was berthed from 08th until 10tham on designated berth #201.

Pse instruct if any action our side.

Last but not least, above "dense fog" itemized comments might serve as my remarks to be deemed into the final version of Sof thru Master comments by written or Master's letter to be fully incorporated as part of SOF, if suits you.

Thanks & brgds

UNQUOTE

CASE CONCLUSION

Dear Thomas,

Gd mrng,

I was at summer holiday and just came back.

We wld like to thank for your excellent & fruitfull assistance and back up which is really very much appreciated.

Your existence helped us so much to reach a mutual agreement with chrt.

We thank you for your professional guidance and support.

All the best for you and for your team !

Best Regards,

VESSELS FIXED WITH INDEFINITE LAYTIME

There are also "Hatch" calculations which are more complicated than tonnage calculations, but occasionally need to be performed.

And also, there is indefinite laytime, when occasionally, a performing Owner agrees for his Ship to be loaded or discharged as per Custom of the Port (COP), Customary Despatch (CD), Customary Quick Despatch (CQD), or Fast as Can (FAC) terms.

It can be stated that a freight arrangement without defined loading/discharging rates or a fixed demurrage rate entails a high level of risk.

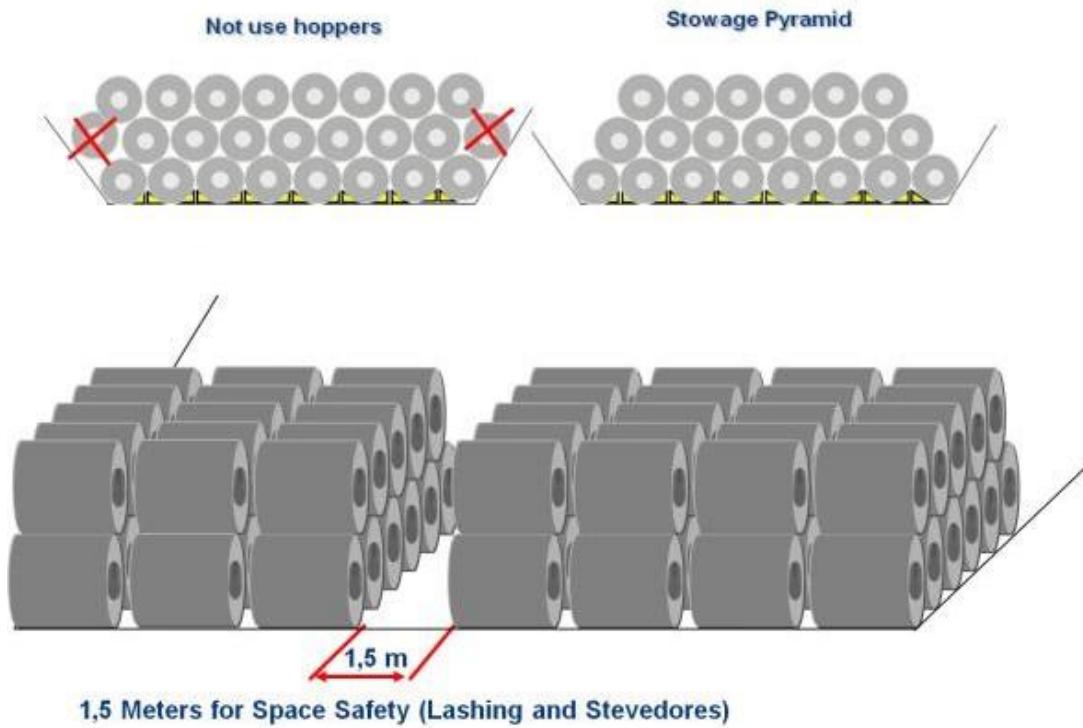
By choosing this option, Carriers will bear all the expenses and time losses while the Vessel is kept at off port limits or inside a Harbor intermediate anchorage.

Agents shall therefore be in a position to recommend to Owners some relevant details as follows:

- deploying a Supercargo or Port Captain to oversee and speed up the cargo operations

- a qualified and independent Marine Surveyor to perform out-turn survey and tally
- deploy additional gangs and shore equipment etc.

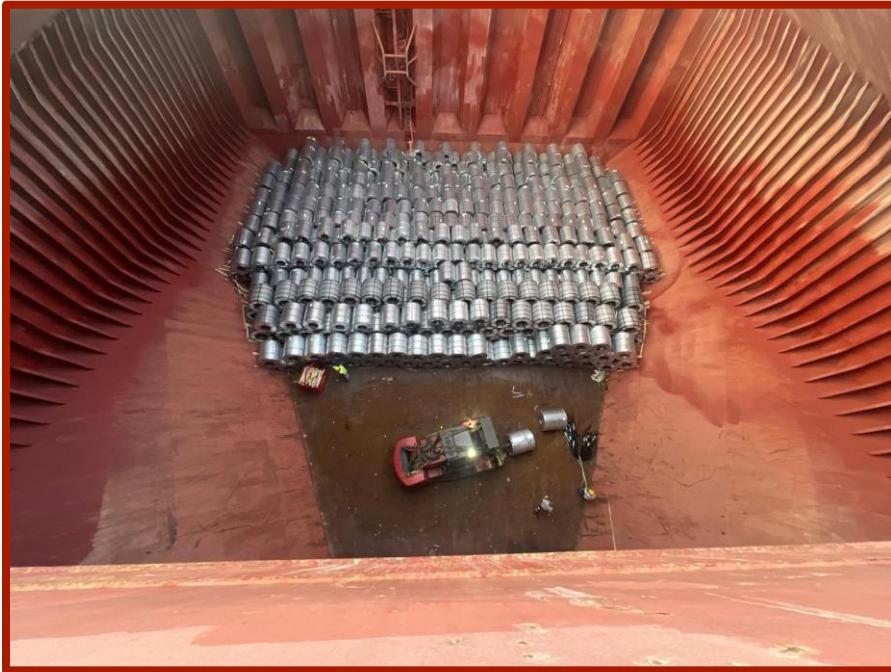
- **restrictions:**



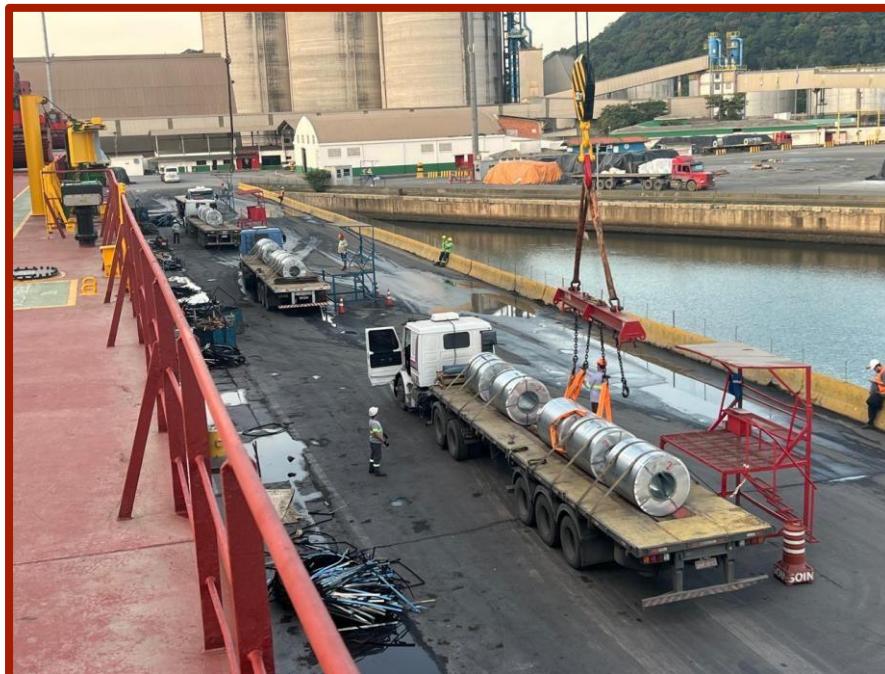
Source: *guidelines for steels loading. Gerdau*



Shore forklift being lifted onto holds to handle light and heavy coils in São Francisco do Sul, Brazil.



Handling of steel coils in Sao Francisco do Sul Port, Brazil.



Manual spread-bar discharging steel coils onto trucks alongside. Sao Francisco do Sul Port, Brazil.

SUNDAYS AND HOLIDAYS AT DEFINITE LAYTIME CORE

When a Charterer, Seller or Receiver is looking to fix a laytime, first thing in mind should be discussing this relevant theme, if you wish to avoid a heartbreak feeling.

According to BIMCO, Holiday legislation is reflected at national, regional and municipality level. Hence, all precautions should be taken by Charterers and Time-Charterers when dealing to bind a complete Charter-Party.

Sometimes, if a Shipper or Receiver wants to work during a Holiday, Stevedores will only offer their services under a “premium rate”, considering that the Port would be idle during said period. Also, Holiday portion of time is often not computed at laytime calculation, unless otherwise not agreed or if already in demurrage.

According to Mr William V Packard:

“A charterer has no intention of incurring expense for a ship lying idle during weekends and holidays if he can avoid doing so, and normally there will be an express clause in a charter-party to the effect that Sundays and holidays are not to count as Laydays. In non-Christian countries where Sundays may be normal working days, it is usually agreed that Fridays and Holidays will not count as Laydays”.

He complements:

“Furthermore, the charter-party will normally specify the actual time before a holiday or a Sunday that laytime is to cease. It may well be that time after noon on a Saturday, or on the day preceding a holiday, is not to count as laytime. Similarly, the charter-party will normally specify the actual time after a holiday or a Sunday that laytime is to restart. It may state, for example, that time will not count as laytime until 0700 hours on the day immediately after a holiday or a Sunday, at the time the port labour resumes normal working. If no specific times is laid down in the charter-party, laytime would generally continue until midnight on the day preceding a holiday or a Sunday, recommencing at 0001 hours on the day immediately following the interruption”.

N.B: We must remember the golden rule: “Once in demurrage, always in demurrage”.

Also important to highlight the article from PANDI Insurer Steamship Mutual:

https://www.steamshipmutual.com/publications/articles/articles/notice_readiness_1

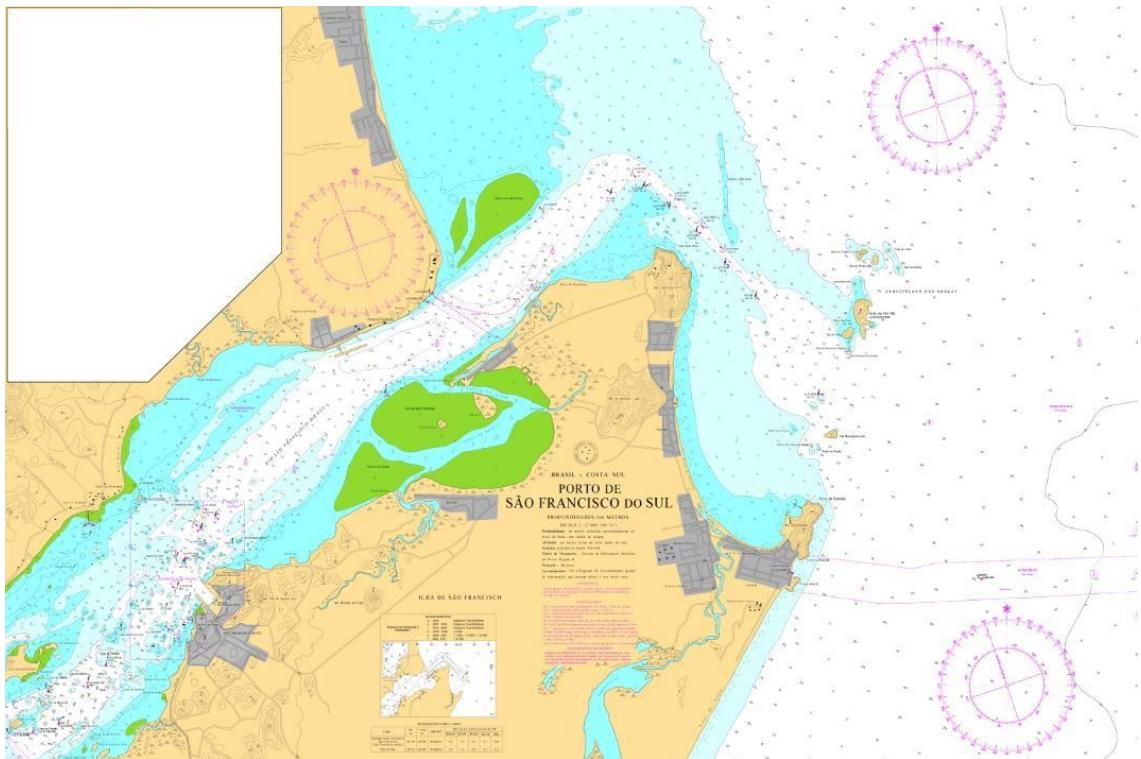
Laytime definitions - 2013:

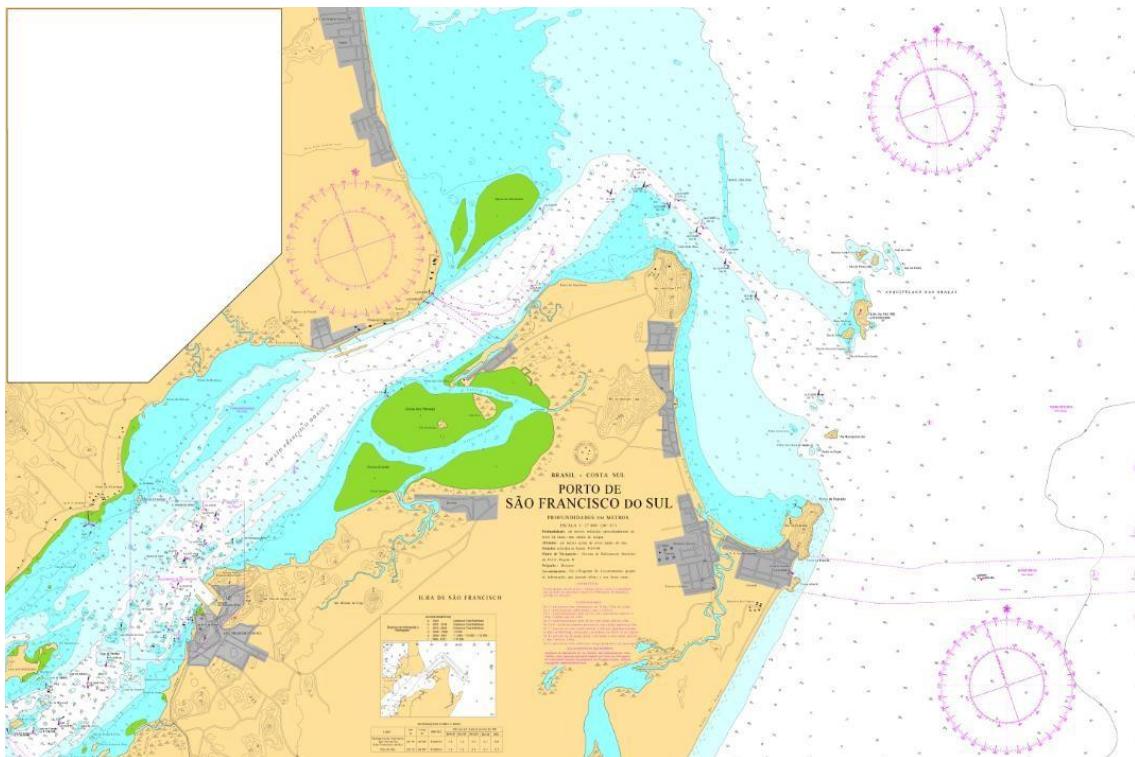
<https://www.bimco.org/contractual-affairs/bimco-contracts/contracts/laytime-definitions-for-charter-parties-2013/>

Laytime + E-SOF platform:

<https://www.englare.com/laytime>

FIVE UNDERSTANDING THE RELEVANT CUSTOMS FROM NOMINATED PORT(S) AND ITS MAIN RESTRICTIONS





Port of São Francisco, at Santa Catarina state. Source: Harbor Master - Brazilian Navy.

Port restrictions are critical factors affecting the efficiency of a port call. Also, the non-compliance of said restrictions can place Owners or Charterers in a very critical condition.

Some key elements Agents and Brokers shall take care of:

- Make sure to report to the involved chain the latest versions of Port handbook, reflecting the Port features as: maximum draft, dynamic draft considering “squat” effect calculations, average tidal range, provisions established by Pilotage and Port Captaincy, e.g.: appliance of additional under keel clearance.
- Endeavour to always report to Principals, the last bathymetry schedule given by Port Authority, and the possibility of restrictions review in port canal, anchorage, intermediate anchorage, berths, lay-by berths etc.

DE-BALLASTING OPERATIONS

In some cases, the Ship's pump out flow (de-ballast) does not fit in the Terminal's loader capacity per hour. Agents shall observe the following points:

- all stoppages and/or ship loader limitations imposed by this fact shall be reflected at SOF, enabling Shippers / Principals to exclude said timing from laytime, as the case may be.
- make sure to refuse Ship Master's Dead-freight letter in case Master alleges that the Terminal did not provide the required cargo tonnage, in case the reason was clearly caused by Ships' technical fault.

- Always ask Principals if a Letter of Protest shall be issued against Owners for non-compliance of the proposed stowage plan produced by Owners.

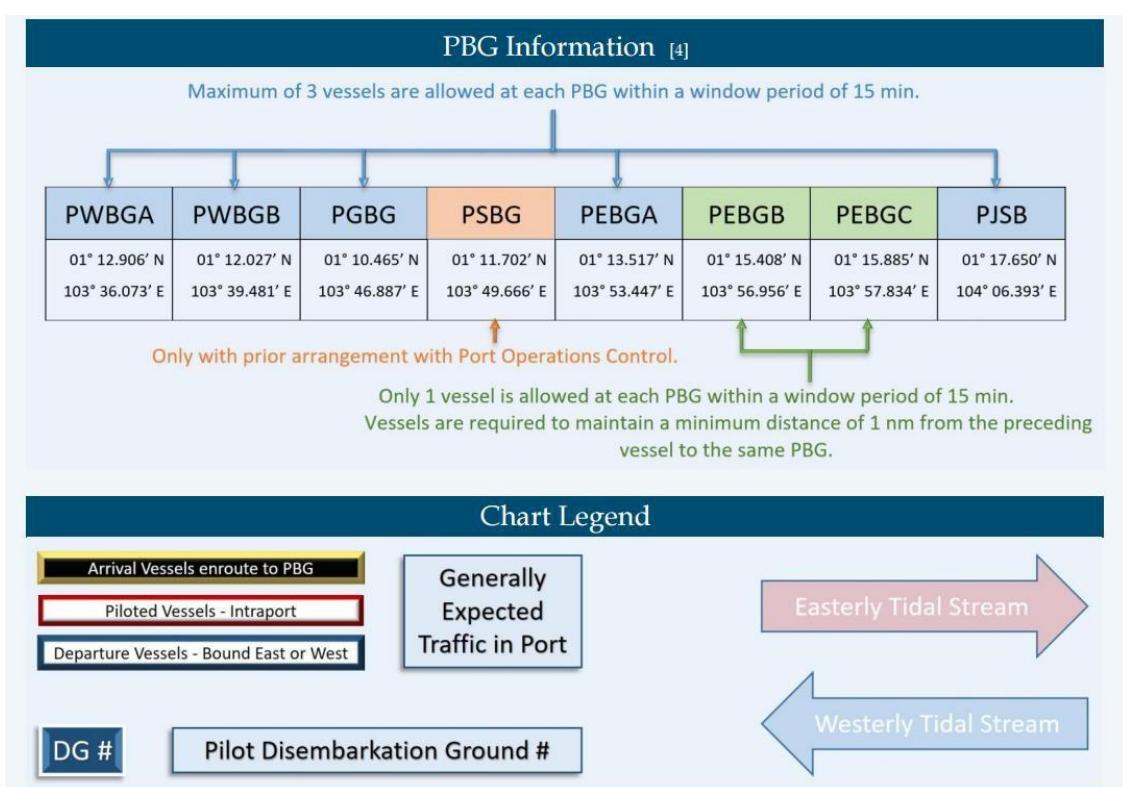
Some rider clauses might be worked to prevent unwanted discussions about this point. See below my suggestion:

Vessel must ballast simultaneously to loading operation within required time, according to her age/specifications. Owners will instruct the Master to minimize de-ballasting time in order to avoid stoppages during loading. Nevertheless, Charterers / Shippers shall not be entitled to reject any nomination due to vessel not

being able to de-ballast at the speed required by the loading terminal.

Sometimes, some private Terminals disclose such information into their Port Handbooks as well. See below sample from VLI - Tiplam Terminal in Santos:

<https://www.vli-logistica.com.br/wp-content/uploads/2022/09/SAFETY-AND-OPERATIONAL-PORT-GUIDE -01-VIA-07-06-19-003.pdf>



Source: Port guidelines from Singapore Pilots Services department.

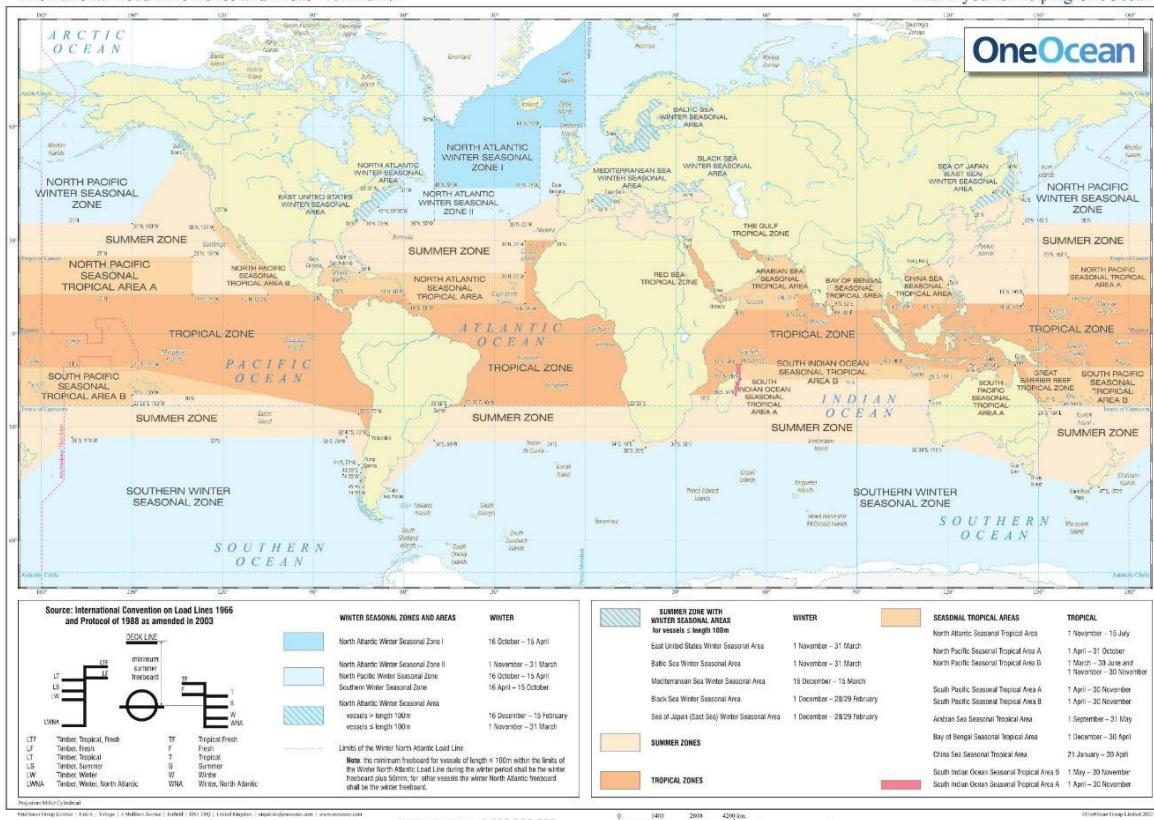
PWBGA and PWBGB



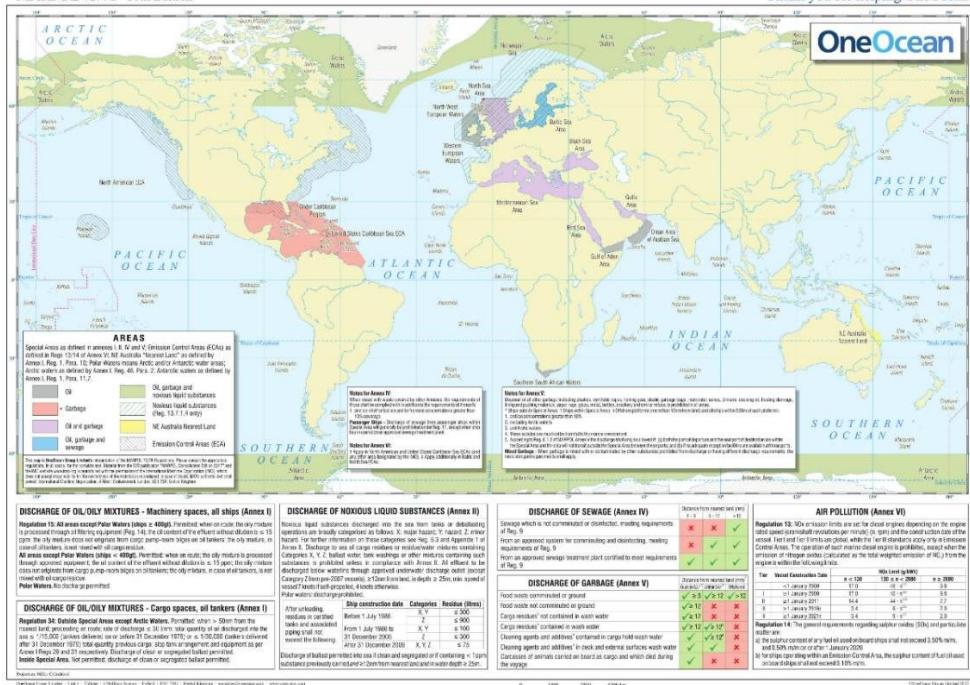
Source: Port guidelines from Singapore Pilots Services department.

International Load Line Zones and Areas 16th Edition

Thank you for helping OneOcean



Source: One Ocean / Load lines map.

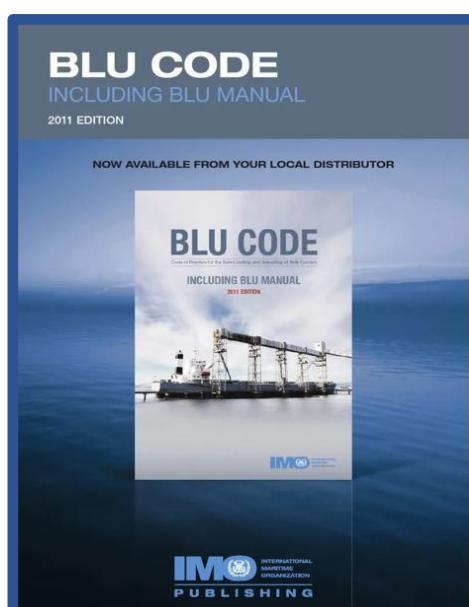


Source: *One Ocean, MARPOL 73/78*

KEY FACTORS AFFECTING THE COMMERCIAL CHAIN

If life seemed to be smooth in your last years working at shipping industry, most likely you have never experienced a setback involving:

- cargo volume discrepancy, between the official loading or discharging means (Shore loader / Unloader) and draft survey



- poor cargo quality, moisture and contamination level
- lack of a ship-to-shore check-list, example: BLU Code.

Frankly, most of players do not disclose the sales contract details holding the joint or individual responsibility's; second, noting the various elements that shall be known in advance for the correct interpretation; third, now that such Brokers as Agents have enrolled among their Customers' personal activity, the latter ends up taking the responsibility for the welfare of their business at both ends. We shall say more of this in a moment.

HOW TO DEAL WITH “SHORE SCALE FIGURES”?

The first point is checking if the Terminal has a valid calibration certificate issued by a competent Customs authority or another regular entity, as the case may be.

Secondly, what are the governing contents for tonnage ascertainment towards the “Sales contract” and “Charter-party”. Is there any conflicting wording between them? Are the conditions based on back-to-back backgrounds?

Answering these questions might be quite challenging, but some bullet points Agents and trading (or execution team) should have in mind are:

- The “international trade allowance” for bulk cargoes is 1%.
- Owners and their PANDI Clubs shall not accept a cargo tonnage to be declared at “Cargo Manifest” or “Mates Receipt” in case of a discrepancy higher than 0,4% (as observed in Brazilian coverage).
- Appointing a double-check surveyor, either to monitor a shore scale calibration or to perform another joint draft survey may be required. Usually, the parties binding themselves with final findings, with costs to be borne by the party who did not accept the figures on a first stage.
- In last cases, Owners and performing Owners can accept the final figures ascertained by shore scale means, even if there is a discrepancy between the draft survey findings, however subjected to a “Letter of Indemnity” to be evoked in case of shortage during discharging ports calls.

For instance, some Ports show even more dynamic factors that may affect the efficiency of a draft survey. Rio Grande Port, located at Brazilian south region, is a good example and showed thereto as per my own wording to guide Master and Owners:

QUOTE

I would like to point out that the inner canal at Rio Grande port is like a bottleneck where densities may change in the same day from 0.999 t/m³ up to 1.025 t/m³. Winds from the quadrant N//NNE/NE/ENE/E improves the ebb current where fresh water comes down river from the big Patos' Lagoon. Winds from other quadrants mainly S/SSW/SW brings sea water into the inner channel resulting in the high tides. During dock water density checking, at every 0.50 m we may find a different salinity.

As the grain terminals Bunge, Bianchini, Termasa and Tergrasa are located at inner channel vicinity, these are impacted for huge densities variation and therefore special attention must be

taken whilst at final stage of cargo loading (trimming) as well during obtaining of final dock water density for draft survey calculation.

Regarding the sampling of dock water during draft measurements, it is worth mentioning that the portable samplers provided by the ship's Chief Officers are generally without lids and completely open, therefore filling with seawater as soon as they are immersed in the water. This way of sampling is completely inadequate where samples are drawn from the water surface only showing lower densities / layers, then the vessel is lying on. On the other hand, our portable samplers are fitted with small holes in the top lid, therefore filling gradually at the depth where they are positioned. The water samples we collect are always at a depth equal to half the draft at which the ship is floating, and are taken from the port and starboard sides amidships.

UNQUOTE



Source: *LPC, a specialized local marine surveyor acting in Rio Grande.* <http://www.lpcsurveys.com.br/>

Nonetheless the fact that some events and claims could be avoided but repeatedly happen, it is important to Agents to suggest a qualified partner able to perform a double-check survey to draft survey issues.

SALES CONTRACT: HOW THEY GOVERN THE PORT LOADING AND UNLOADING CONDITIONS?

What matters supremely, therefore, is not, in the last analysis, the fact that an advisory agent knows the Charter-party in details, but also how He leads with the sales string. At times, a multiple “circle” containing various cargo nominations and different Suppliers, in charge to perform a shipment that may vary from 1,000.000kgs, until 80,000.000 metric tons of soy beans. All of them hold a relevant role into the success of the shipment execution.



Source: Thomas's presentation (in-house training)

ANEC - BRAZILIAN ASSOCIATION OF GRAINS EXPORTERS

<https://anec.com.br/>

- Sales contracts for soy beans, soy beam meals, maize (corn) and wheat are based on ANEC terms and conditions;
- Mostly FOB basis;
- Forms are produced and frequently adjusted to fit local market practices, needs and regulations;
- Liquidity worldwide;
- Fully respected and supported by international bodies (GAFTA/FOSFA);



FOSFA

FOSFA - FEDERATION OF OILS, SEEDS AND FATS ASSOCIATION LTD

<https://www.fosfa.org/committees/>

Responsible for setting standards related to sampling, analysis, weighing, arbitration and appeals, demurrage and brokerage. Some contracts of interest:

- FOSFA 4 - OIL SEEDS - FOB (ANEC 41/42)
- FOSFA 22 – South American Soybeans – C&F
- FOSFA 23 – South American Soybeans – CIF

- FOSFA 53 – Oils – FOB (Anec 81/83)



GAFTA - THE GRAIN AND FEED TRADE ASSOCIATION

<https://www.gafta.com/>

Responsible for setting standards related to method of analysis, sampling, weighing, sampling, fumigation, and arbitration. Some contracts of interest:

- Gafta 123 – Weighing Rules
- Gafta 124 – Sampling Rules
- Gafta 125 – Arbitration Rules
- Gafta 130 – Accepted Methods of Analysis
- Gafta 132 – Fumigation Rules
- Gafta 131 – Optional Clauses



SAL - THE SUGAR ASSOCIATION OF LONDON

<https://sugarassociation.co.uk/>

Responsible for setting quality standards, grading, sampling and monitoring.

CONCLUSION

Working as an Advisory Agent on the ground can be stressful, but it is funny in the end. You ought to juggle a lot of balls while interacting with all sorts of different people and cultures. After all, the “peace of mind” state from Principals is our ultimate goal.

It is far easier to handle such activities when you have a robust infrastructure, trained and skillful personnel, solid in-house quality systems, governance and compliance procedures, laytime software (Example: Enqlare) for commodities, port data statistics and a range of smart tools which contribute to setting the bar higher and get conflicting issues resolved, as weather statistics for the upcoming 6 months, enabling Owners to understand “the ropes” and be in a better position to predict the risks of the intended shipment dates. Also, use of guidelines regarding stowage plan tips and how to improve the quality and space into holds, aiming to speed up discharge rates at discharging ports, in an efficient and safe way.

Top-tier Clients in the shipping sector seems to be looking into that groundwork and trusted Advisory Agents.

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