The Federation of National Associations of Ship Brokers & Agents

UN/CEFACT Forum April 2021

Minimum Standards for Ship Agents and Ship Brokers Project Update

April 2021
Founded in 1969, **FONASBA** is the International Organisation representing the National Associations of Ship Brokers and Agents. FONASBA is based in London. Its mission:

“To protect the professions of Ship Brokers and Agents worldwide, promoting fair and equitable practices and ensuring that the views of its members are voiced at the highest levels of the maritime industry”.
OUR MEMBERS

66 countries representing over 5,000 companies
BENEFIT OF MEMBERSHIP

FONASBA Quality Standard (FQS)

43 countries and 600+ companies are covered by the Quality Standard.

- Algeria
- Argentina
- Australia
- Belgium
- Brazil
- Bulgaria
- Costa Rica
- Croatia
- Curacao
- Cyprus
- Denmark
- Dubai
- Egypt
- Estonia
- Finland
- France
- Germany
- Great Britain
- Greece
- Hungary
- Israel
- Italy
- Japan
- Jordan
- Kenya
- Lebanon
- Lithuania
- Malta
- Mexico
- Morocco
- Mozambique
- Netherlands
- Peru
- Poland
- Portugal
- Romania
- Russia
- Slovenia
- Spain
- Sweden
- Tunisia
- Uruguay
- USA

FONASBA
The Federation of National Associations of Ship Brokers and Agents
Background:

- Originally introduced by UNCTAD in September 1988
- Intended to “serve as guidelines for national authorities and professional associations in establishing their own standards” by:
  - Upholding high standards of ethics and business practice....
  - Promoting professional education and experience...
  - Encouraging sound and stable businesses
  - Combatting maritime fraud
  - Establishing sound shipping agency sectors
MINIMUM STANDARDS PROJECT

Article 2
Definitions

For the purpose of these Minimum Standards:

"Shipping agent" means any person (natural or legal) engaged on behalf of the owner, charterer or operator of a ship, or of the owner of cargo, in providing shipping services including:

(i) Negotiating and accomplishing the sale or purchase of a ship;
(ii) Negotiating and supervising the charter of a ship;
(iii) Collection of freight and/or charter hire where appropriate and all related financial matters;
(iv) Arrangements for Customs and cargo documentation and forwarding of cargo;
(v) Arrangements for procuring, processing the documentation and performing all activities required related to dispatch of cargo;
(vi) Organizing arrival or departure arrangements for the ship;
(vii) Arranging for the supply of services to a ship while in port.

Need for a review:

- Concerns regarding the validity and relevance of the text were raised by FONASBA’s members in the Americas in 2017, e.g.:
  - Actions of brokers included in agent definition (Article 2, see left)
  - Lack of clarity in relation to supervisory role of national authorities (Article 6)
- 30th anniversary of the Standards provided an opportunity to review the entire document in line with current practice
- Proposed to UNCTAD in January 2018 and passed on to UN/CEFACT
MINIMUM STANDARDS PROJECT

Review Process/1:

• Initial review undertaken by FONASBA's Liner & Port Agency (now Ship Agent) Committee during 2018/19 and endorsed by the Committee plenary meeting in Miami October 2019

• Main changes:
  • Add IMO-FAL Definition of the ship agent
  • Expand the reference to fraudulent activities
  • Expand references to the need for relevant education
  • Introduce quality standards

• Other minor updates/clarifications as necessary
Review Process/2:

- Proposed revisions sent to UN/CEFACT in November 2019
- FONASBA invited to present proposals at UN/CEFACT T&L Domain meeting in Paris on 4th February 2020
- Project group established by UN/CEFACT on 17th February. Contributors included:

  Jonathan C. Williams FICS (project leader), Sue Probert (UN/CEFACT Chair), David Roff, (T&L Domain Coordinator), Regina Asariotis, Hanane Becha, Estelle Igwe, Anila Premti, Mikael Lind and Ian Watt, ably supported by Lance Thompson
MINIMUM STANDARDS PROJECT

The Project group has since met virtually on five occasions since then. Further amendments added to the FONASBA draft include:

- Widening the scope of the Standards to include ship brokers
- Enhancing reference to the IMO FAL Convention
- Clearly recognising the use of electronic data exchange and the dangers of cyber crime
- Specifically referencing partnerships alongside sole traders and companies
The draft was made available for public review and comment on 20th June 2020 for 60 days.

The public review brought forward three comments and four proposals for changes to the current draft.

The project was subsequently approved by the Plenary and is now pending final publication. The text is available at:
https://unece.org/sites/default/files/2021-02/ECE_TRADE_C_CEFACT_2021_08E-Rec45_ShipAgentMinStandards.pdf
FONASBA is very grateful for the opportunity to contribute to this project and for the support provided by UN/CEFACT and the project group members.

We now hope that this Forum will approve the Standards for publication and look forward to promoting them amongst the wider maritime sector, both for the benefit of all parties and to supporting their use in the establishment of well-founded ship agency and ship broking communities worldwide.

Next Steps/Conclusion:
Thank you