

*Shipping Agency (Appointment of Shipping Agent)(Minimum Commission,
Fees and Service Charges)*

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THE SHIPPING AGENCY ACT

(CAP. 415)

REGULATIONS

(Made under section 24)

THE SHIPPING AGENCY (APPOINTMENT OF SHIPPING AGENT)(MINIMUM
COMMISSION, FEES AND SERVICE CHARGES) REGULATIONS 2011

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THE SHIPPING AGENCY

(CAP. 415)

REGULATIONS

(Made under section 24)

THE SHIPPING AGENCY (APPOINTMENT OF SHIPPING AGENT)(MINIMUM COMMISSION, FEES AND SERVICE CHARGES) REGULATIONS 2011

PART I
PRELIMINARY PROVISIONS

1. These Regulations shall be cited as shipping agency (Appointment of Shipping Agent) (Minimum Commission, Fees and Service Charges) Regulations, 2011 and shall come into operation on the date of publication in the Government *Gazette*.

Citation and commencement

2. These Regulations shall apply to shipping agents and their principals.

Application

3. In these Regulations, unless the context otherwise requires:

Interpretation

"Agency Fees, Commissions and Service Charges" means remuneration paid to the Shipping Agent by the Principal for performing shipping agency duties;

"Auxiliary shipping services" include bunkering, water provision, ship repair, trimming, lashing, unlashng, gangway security, ship cleaning, caulking, garbage collection and disposal, fumigation of vessel, supply of spare parts and ship stores;

"Authority" means Surface and Marine Transport Regulatory Authority established under section 4 of the surface and Marine Transport Regulatory Authority Act;

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- “Charter or tramp services” means vessel engaged in bulk cargo shipment on time or voyage charter business;
- “Cruise ships” means a vessel carrying passengers for tourism purposes;
- “Demurrage Collection” means payment of container demurrage charges by the consignee to a shipping line through delete a shipping agent for late return of empty container;
- “Freight Collection” means payment of freight by the shipper or consignee to a shipping line through a shipping agent for carriage of goods;
- “Freight Forwarder” means a person or company responsible for undertaking export or import cargo arrangements on behalf of a shipper or consignee at a sea port;
- “Financial Transaction” means transaction of funds between the Shipping Agent and his Principal;
- “Port Disbursements” means bills or invoices raised by Port Terminal Operator to cover for ship’s cost while in port and shall include stevedoring charges, port dues, pilotage, mooring and unmooring charges, storage and handling charges navigational dues, tug services;
- “Port Terminal” means a sea-land link in transport chain at the port where interchange facilities exist amongst different modes of transport;
- “Port Terminal Operator” means any person who, or a body corporate which, for the purpose of these regulations performs any duty as a contractor, agent or a lessee to carry out the functions of port operations in the port terminal;
- “Principal” means a person for whom another person acts on his behalf as an agent in the business of shipping;
- “Regular Liner Services” means a service for a vessel habitually employed on a regular schedule and loading and discharging at specified ports;
- “Ro-Ro Ships” means Roll on and Roll off ship designed for conveyance of cars, road haulage units and unitized cargo;
- “Servicing or husbanding of vessel” includes all activities connected with ship’s business, cargo business, mail, medical assistance, stores,

and all other assistance provided to vessel for the smooth operation of vessels in port;

"Shipper" means a person or company who provides goods for dispatch in the ship whose name appears on the delivery note/bill of lading as the party contracting with the carrier (ship owner) for the carriage of the goods;

"Shipping Agent" means any person or company engaged in providing shipping agency services on behalf of the principal;

"Shipping Business Activities" means activities related to shipping business;

"Shipping Documents" means documents required to enable shipments to be forwarded or received, and includes Bills of Lading, Delivery orders, shipping orders;

"Specific Duration" means the period which the appointment will last;

"Specific Ship Voyage" means a particular voyage of the ship;

"Supplementary shipping services" means shipping services including freight collection, demurrage, car hire, boat hire, embarking/diseMBarking of crew, hospitalization of crew, stowaways and deserters detained on board, repatriated or deceased personnel; and container monitoring;

"Tanker" means a vessel designed to carry liquid or gas cargo.

PART II

APPOINTMENT OF AGENT

4.—(1) Any Principal wishing to provide services to any port in Tanzania Mainland shall appoint a shipping agent by way of:

- (a) a shipping agency contract, or
- (b) an appointment letter as the case may be.

(2) The appointment may be for a specific duration or on specific ship voyage.

(3) The details of appointment letter shall include the following particulars:-

- (a) authority of appointment as shipping agent;
- (b) name and physical address of the principal and the shipping agent;

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(c) details of the ship.

5. The shipping agent in discharging his obligations under appointment shall perform the following functions:-

- (a) represent the principal in shipping business activities;
- (b) maintain regular contact with his principal, terminal operators freight forwarders, and shippers;
- (c) market shipping services of his principal;
- (d) provide information on cargo booked, level of utilization of allotted space in the ship and statistics on cargo availability;
- (e) communicate the time of arrival and sailing of ship;
- (f) facilitate advertisement of ship sailing schedules;
- (g) arrange for berthing of the ship and auxiliary services;
- (h) facilitate crew change and provision for medical services;
- (i) to issue, sign and stamp on behalf of the principal or ship master bills of lading and all other shipping documents;
- (j) attend claims on behalf of his principal;
- (k) provide regular report on the position of ship to the principal while in Port;
- (l) track and coordinate all activities concerning the movement of full and empty containers;
- (m) keep proper record on any financial transactions and port disbursements;
- (n) collect ocean freight from shippers on behalf of the principal;
- (o) quote freight rates or tariffs to importers and exporters of cargo;
- (p) submit cargo manifests to customs port and government authorities;
- (q) handle and monitor through Bills of Lading;
- (r) cash to ship's master.

PART III

MINIMUM AGENCY COMMISSION, FEES AND SERVICE CHARGES

6.—(1) The principal shall pay to the shipping agent minimum agency fees for the following ship services:-

- (a) regular liner services for imports and exports including Ro-Ro ships;
- (b) tankers;
- (c) charter or tramp services excluding tanker and cruise ship;
- (d) cruise ships; and
- (e) auxiliary shipping services.

Payment of minimum agency commission, fees, and service charges

(2) The following supplementary shipping services shall attract commission, fees and charges:-

- (a) freight collection;
- (b) demurrage collection;
- (c) car hire;
- (d) boat hire;
- (e) crew attendance;
- (f) container monitoring; and
- (g) cargo booking.

(3) In attending services not provided in these Regulations remuneration shall be paid at mutually agreed rates between principal and agent and the agent shall obtain prior written approval from the Principal for such activities.

7. The minimum agency commission, fees and service charges shall be as stipulated in the schedule to these Regulations.

Agency commission, fees and service charges

PART IV

OFFENCES

8. Any person who contravenes the provisions of these Regulations commits an offence and on conviction is liable to a fine of USD 20,000 or its equivalent in Tanzania shillings or to imprisonment for a term of not less than six months and more than five years or to both.

Offences and penalties

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PART V

APPEALS

Appeals

9. Any person who is aggrieved by the substantive decision of the Authority made under these regulations may appeal to the Fair Competition Tribunal.

SCHEDULE

(Made under regulation 7)

MINIMUM AGENCY COMMISSION, FEES AND CHARGES

	<i>Type of services</i>	<i>Minimum Commission fees and charges</i>
1	Regular liner including RO-RO ships	Exports: (i) 3.5% on gross freight for cargo booked by Agent. (ii) 2.5% on gross freight for cargo booked by principal. Imports: (i) 3.5% on gross freight for cargo booked by agent. (ii) 2.5% on gross freight for cargo booked by the principal.
2	Charter or tramp service excluding tankers and cruise ships (Subject to Verification)	(i) US \$ 1,500.= for the first three days, thereafter US \$ 250.= per day. (ii) Bulk cargo: 2.5% gross freight booked by agent.
3	Tankers	(i) US \$ 1,500.= for Tankers loading or discharging 5,000 Metric tons and above per call. (ii) US \$ 600.= for tankers loading or discharging less than 5,000 Metric tons per call.
4	Cruise (passenger) ships	Passenger: (i) US \$ 1,500.= for the first three days, thereafter US \$ 250.= per day.
5	Other Supplementary Services (Charges cover agency fees or professional services rendered by agents and exclude running costs)	(i) Freight collection: 1% of collected amount. (ii) Container Demurrage collection: 3% of amount collected. (iii) Car Hire: 5% of actual payment (iv) Boat Hire: 5% of actual payment

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	<p>(v) Crew attendance:</p> <ul style="list-style-type: none">(a) Embarking/ disembarking: US \$ 50 per crew.(b) Hospitalization: US \$ 30 Per officer/crew per day.(c) Arranging fumigation of vessel: US \$ 200.= per incident.(d) Attending stowaways and or deserters detained on board or repatriated or deceased personnel = US \$ 100.= per person.(e) Container monitoring and retrieval US \$ 10 per box (in/out) on principal's request..(f) Transshipment: US \$ 15 per box.(g) Ships calling solely for bunkers or water provision: US \$ 750 for the first day and thereafter US \$ 200per day.
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Dar es Salaam,
.....,2011

HON. OMARI R. NUNDU (MP),
Minister for Transport