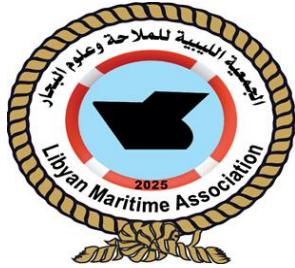
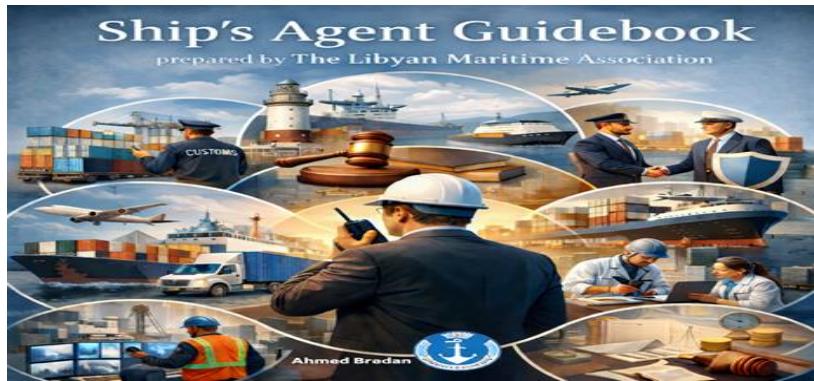


Libyan Maritime Association



Ship's Agent Guidebook



A Professional Guide to Duties, Competencies, and Stakeholder Coordination

This guide aims to elucidate the duties and competencies of the Ship 'sAgent by defining their professional and legal obligations and Liabilities, and by examining the nature of their interaction and coordination with key stakeholders. These include customs authorities, maritime authorities, seaport authorities and operators, free zone operators, cargo owners, insurance companies, judicial authorities, shipowners and ship operators, as well as researchers, regulators, and other interested parties .

Prepared By
Ahmed Bredan

Founder & Chairman Of Libyan Maritime Association
Maritime Mediator | Member, Arab Scientific Society for Transport

ceo@libyanmaritime.org.ly

Cell : +218912130713

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Author: Ahmed Bredan

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"A ship agent is a natural or legal person entrusted with carrying out the usual and necessary tasks for a vessel, providing for its needs while berthed at a seaport or offshore platform. This includes preparing the documentation related to the vessel's arrival and berthing, overseeing cargo loading and unloading operations, and handling the departure procedures when the vessel is ready to sail, in coordination with all relevant parties. The agent operates within the limits of their agency and performs these activities as part of a commercial enterprise. The ship agent represents the lawful channel through which shipowners, charterers or their representatives, as well as the vessel's master and crew, are addressed."

Dedication

To

To specialists, researchers, practitioners, and all those
interested in the maritime transport industry



The author has more than three decades of professional experience in the maritime sector, encompassing naval service, public administration, commercial shipping, and academic engagement. His career began in the Libyan Navy, where he served as a Navy Captain. He later held the position of First Marine Inspector at the Ministry of Transport and served as Chair of the Marine Inspectorate Department at Tripoli Port. He subsequently spent nearly twenty years in the management of a private shipping agency, gaining extensive practical experience in port operations and maritime administration.

In parallel with his professional career, the author has contributed to institutional and sectoral development initiatives. He founded the Libyan Maritime Association and has served as its Chair since 2025. He also founded and chaired the Libyan Maritime Transport Standardization Technical Committee. His academic qualifications include an MSc in International Trade and Logistics. the author of the *Maritime Transport Logistics* series and has published more than thirty research papers in the field of maritime transport and logistics. also serves as a visiting lecturer and participates in regional sustainability initiatives as an Expert Observer with the EU WestMed Green Shipping Working Group.

In addition to his professional and academic roles, the author is a firm advocate of philanthropy and social responsibility and has been actively involved in voluntary work across various fields for more than two decades. also acts as a maritime mediator and supports initiatives aimed at harmonizing transport standards across Arab countries.

This guidebook reflects the author's long-standing engagement with the maritime community and is intended to provide a practical and reliable reference on the roles and competencies of the modern ship agent. The work is guided by a commitment to professional integrity, regulatory compliance, and the promotion of quality standards as a foundation for the sustainable development of shipping agency operations.

Ahmed Bredan

Founder & Chairman of The Libyan Maritime Association

Table of Contents

| No | Title | Page |
|-----------|---|-------------|
| 1 | Study Holder | 5 |
| 2 | Table of Contents | 6 |
| 3 | Preface | 7 |
| 4 | Part I: Origins and Conceptual Foundations of Ship'sAgent <ul style="list-style-type: none"> • Historical Evolution of the Profession • Defining the Ship 'sAgent(Concepts and Standards) | 8 |
| 5 | Part II: Legal Framework and Status of Ship's Agent <ul style="list-style-type: none"> • The Legal Nature of Ship Agency • Contractual Foundations and Liabilities • Jurisprudential and Scholarly Perspectives | 14 |
| 6 | Part III: Practical Functions and Documentation <ul style="list-style-type: none"> • Types of Agents • Documentation and the Ship's Agent • Maritime Cargo Transport Documents • The Agent's Role in Document Circulation and Processing • Key Contractual Documents in Agency Operations | 24 |
| 7 | Professional Legal Dialogue On “The Formalization of Ship Agency Contracts and the Delineation of Obligation and Acquisition” | 33 |

Preface

The profession of the ship agent (ship's husband/ship's agent) is regarded as one of the pivotal maritime professions upon which the operational and legal structure of maritime transport is built. This is due to the organizational and representative functions it performs, enabling the vessel to conduct its Shipping activities within a disciplined legal and institutional framework. The ship agent acquires particular importance as the vital link between the shipowner or ship operator on the one hand, and maritime and port authorities, cargo owners, and other stakeholders on the other, thereby positioning the agent as a key actor in ensuring the smooth flow of maritime operations and the integrity of contractual dealings.

This professional guide aims to provide a systematic and analytical treatment of the ship agent profession by reviewing its historical roots, defining its tasks and duties, and clarifying its legal status in light of maritime jurisprudence and legislation. It also highlights the role of the ship agent in the circulation of maritime documents and related contracts, in accordance with internationally recognized standards, particularly those of the United Nations Conference on Trade and Development (UNCTAD). Furthermore, the guide seeks to serve as a practical academic reference for researchers, students, and practitioners, contributing to the enhancement of sound professional understanding of the ship agent's position within the modern maritime transport system.

January 17, 2026

Study holder

Part I: Origins and Conceptual Foundations of Ship Agency

Chapter 1: Historical Evolution of the Profession

- 1.1** From Ship's Master to Specialized Agent(The Commercial Imperative).
- 1.2** The Emergence of the "Ship's Husband" and Capital-Intensive Shipping.
- 1.3** Historical Evolution of the Ship Agent.

Chapter's Paragraphs and their explanation

1.1 From Ship's Master to Specialized Agent ,The Commercial Imperative

In its early stages, maritime voyages relied on sailing ships traveling from the port of loading to the port of destination, a reality that resulted in slow vessel movement. A ship would not depart from one port to another until all operations related to the vessel had been fully completed, such as discharging cargo, collecting freight (sea freight), securing provisions and equipment necessary for the voyage, and issuing shipping documents such as bills of lading, manifests, and others.

At that time, the ship's master was responsible for performing all these tasks, which significantly increased the vessel's port stay. In addition, this burden was added to the master's primary duties, foremost among them navigation and the safe operation of the vessel. Consequently, the master could not announce or commence a voyage until all such procedures and works had been completed.

1.2 The Emergence of the Ship's Husband and Capital - Intensive Shipping

With the development of shipbuilding and maritime trade, and the evolution of port management systems, commercial vessels became capital-intensive assets that generate value only when in motion. Moreover, the regularity of maritime services with fixed schedules and sailing timetables necessitated relieving the ship's master of these time-consuming operations, which caused delays and prolonged the vessel's stay in port.

1.3 Historical Evolution of the Ship Agent

As a result, shipowners and ship operators found no alternative but to seek another party to perform these tasks, enabling the master to sail immediately after cargo discharge. This other party would be entrusted with handling all operations related to the various stakeholders involved in the maritime voyage, as well as dealing with governmental authorities such as customs, immigration offices, and inspection bodies, in addition to managing cargo-related matters with cargo owners.

However, this was not a simple matter. Shipowners and operators had to rely on a specialized and experienced party to act on their behalf. This role was assumed by a person or legal entity known as the ship agent (Ship's Husband). Generally, the ship agent is not required to act exclusively for a single operator. rather, the agent may represent several shipowners or operators, particularly in the case of tramp ships. The situation differs, however, with operators of liner services, where agency arrangements are typically more structured and exclusive under liner agency systems.

Accordingly, the profession of the ship's agent emerged as a product of necessity and as a response to the requirements of the development of maritime trade. !

The term "*ship agent*" generally refers to an individual or a company responsible for managing the various administrative and logistical tasks associated with a vessel during its stay in port. These tasks may include, but are not limited to, arranging cargo handling operations, coordinating with port and maritime authorities, managing crew changes, handling customs procedures and documentation, and generally ensuring that all aspects of the vessel's port operations proceed smoothly and efficiently.

Ship agents play a crucial role in the maritime industry by acting as intermediaries between shipowners or operators on the one hand, and port authorities and service providers on the other. Through this role, they help ensure that a vessel's stay in port is as efficient and trouble-free as possible, which is vital for maintaining sailing schedules, minimizing downtime, and enhancing the overall efficiency of maritime transport operations.

Chapter 2: Defining the Ship's Agent(Concepts and Standards)

2.1 Core Definitions: Linguistic and Legal Concepts of "Agency"

2.2 The Ship Agent: A Formal Definition

2.3 International Benchmarks: The UNCTAD Minimum Standards (1988) .

2.4 Regional Comparative Analysis: Definitions in North African & Middle Eastern Legislation (Libya, Tunisia, Algeria, Egypt, Jordan).

Chapter's Paragraphs and their explanation

2.1 Linguistic and Legal Concepts of " Agency "

Below, we outline some definitions that pertain to maritime agency operations:

Literature on maritime agency activity indicates that most countries have not enacted specific laws governing the work of the ship agent. This necessitates examining the matter in stages, beginning with defining *agency* as a general concept, and then proceeding to a more detailed explanation of its application in maritime operations.

In the lexicon of the Arabic language, the term **Wakeel (agent)** generally means that one party acts on behalf of another in performing tasks agreed upon between the two parties. The concept of agency is often associated with reliance on another party due to incapacity or delegation of authority (as noted by **Al-Taher Al-Zawi** in *Mukhtar Al-Sihah*).

“at the outset of any agency appointment there should be a clear understanding of what work the agent will be required to do on behalf of the ship-owner, once this has been established the owner and the agent must determine what remuneration the agent is to receive “

(Port Agency –Malcolm Latarche F.I.C.S)

The activity of maritime agency is a complementary function within the sequential system of transport and logistics operations and represents a key component driving the smooth flow of goods and cargo. This is due to its linkage with all parties involved in the cargo transport process across both maritime and land corridors. Clarifying the concept and definition of this profession, its documentation cycle, and linking its significance and relationships with other stakeholders is therefore pivotal, as it enhances and promotes the development of maritime trade.

The maritime transport industry, ports, and supporting logistics services are among the most important sectors relied upon for economic growth. They constitute a central means for development and significantly influence the growth rates of domestic and international trade for countries, which underscores the importance of attention to this sector. Accordingly, governments and states have imposed oversight and regulation on maritime operations, as their success directly impacts the advancement and development of the hinterland regions and the implementation of related projects.

Maritime operations and trade are characterized by the international nature of their stakeholders and are dominated by a spirit of coordination and interdependence. Each element affects and is affected by the others; the mission of a maritime voyage is only complete when all components shipper, carrier, ship agent, stevedoring contractors, port authorities, and Ancillary transport services , are aligned and synchronized.

The ship agent contributes to the fulfillment of the maritime mission alongside seafaring personnel, ensuring optimal utilization of the vessel and the timely execution of its voyage according to operational schedules. In doing so, the ship agent effectively assists the master in the commercial exploitation and operational management of the vessel.

2.2 Ship Agent Definition

From a legal perspective, the earliest English legal texts addressing the concept of agency defined it as follows: it represents a relationship of trust between two parties, where one party, the **principal**, authorizes the second party, the **agent**, to act on their behalf in performing legal acts with a third party. The agent must consent to this representation. Typically, the agent operates independently from the principal while executing these duties..(Julia

Mauropos – General introduction to Agency Law Bimco Course Alexandria 2002)³

2.3 The UNCTAD Minimum Standards 1988 International benchmarks for shipping agents.

Countries adopt various policies, administrative procedures, and regulatory measures to govern the work of ship agents. These measures include granting licenses to practice maritime professions, imposing specific qualifications, requiring the passing of written examinations, or mandating financial deposits with the licensing authority proportional to the scale of maritime activity.

Key institutions involved in establishing and maintaining these standards include:

- United Nations Conference on Trade and Development (UNCTAD)
- BIMCO (Baltic and International Maritime Council)
- Institute of Chartered Shipbrokers, London
- FONASBA (Federation of National Associations of Ship Brokers and Agents), London
- Baltic Exchange, London

These organizations provide guidelines, professional standards, and best practices to ensure competence, reliability, and efficiency in the ship agency profession. We may begin by clarifying the definition provided by the United Nations Conference on Trade and Development (**UNCTAD**), which is as follows:

UNCTAD defined maritime agencies through the Minimum Standards for Shipping Agents (**United Nations (UNCTAD) Minimum Standards for Shipping Agents, 1988, Article 2**).

The term “*maritime agencies*” was mentioned within the context of these standards, without specifically referring to agents for tramp ships or liner services. The definition, therefore, encompasses all classifications of maritime vessels and shipping operations.

Regarding liner and tramp ship agents, brokerage activities (brokers), and cargo forwarding (forwarders), UNCTAD defines a ship agent as:

"Any natural or legal person who carries out the procedures for receiving and dispatching ships and provides services to them."

2.4 Definitions in North African Middle Eastern Countries

In the Libyan **Commercial Agencies Law**, the definition of *commercial agency* is described as:

"A commercial activity carried out by a person in accordance with the provisions of this law, which requires the conclusion of a contract or agreement between the two parties (the principal and the agent), whereby the agent is entrusted with performing one of the activities stipulated in this law."

This definition guides the focus of this Guidedbook toward defining and conceptualizing the **maritime ship agent**, linking it to the previously mentioned definitions and establishing a clear understanding of the agent's role within maritime operations.

In comparison, the **Libyan legislation** defines the maritime agent as follows (**Decree No. 328**):

"The maritime agent is the lawful channel through which shipowners, charterers, the ship's master, and crew are addressed, representing the owners and those in their capacity in all legal responsibilities in accordance with the applicable legislation."

In contrast, **the Jordanian Maritime Authority Law** defines the ship agent as follows (**Article 2**):

"The maritime agent is a natural or legal person, registered as a company or institution and licensed by the competent authority to carry out maritime agency activities, acting as an agent for the carrier, shipowner, operator, or charterer within the limits of the agency agreement concluded with any of them or their representatives, in accordance with the applicable laws, regulations, and instructions."

Meanwhile, Tunisian legislation states that the ship's husband acts as a remunerated agent for the shipowner (**Journal of Maritime Commerce**, p. 65).

Part II: Legal Framework and Status of the Ship Agent

Chapter 3: The Legal Nature of Ship Agency

3.1 Legal Status and Classification.

3.2 Distinguishing Agency: The Agency Agreement vs

3.3 Commissioned Agency: Principles and Applications

Chapter's Paragraphs and their explanation

3.1 Legal Status of the Ship's Agent

The legal status of a ship's agent can vary depending on the legislation and the specific legal framework in force. In general, a ship's agent operates according to a set of legal principles and regulations that govern their role and responsibilities within maritime trade operations and logistics.

Below is a broad overview of how the legal status of ship's agents is typically regulated:

Legal Recognition

In many countries, the ship's agent is considered a commercial agent, meaning they act on behalf of the shipowner or operator and are authorized to enter into contracts and conduct commercial transactions on their behalf. The contractual relationship between the ship's agent and their principal (shipowner/operator) is usually defined through a contractual agreement, which specifies the agent's scope of authority, duties, and remuneration.

Regulatory Compliance

Ship's agents must comply with local port regulations and maritime laws. This includes adherence to the rules of port authorities, customs and immigration laws, and other regional requirements. Depending on the nature of their activities, ship agents may also need to comply with international maritime

conventions, International Maritime Organization (IMO) regulations, and agreements related to cargo handling and safety.

Liability and Insurance

Ship's agents may be held liable for negligence or failure to fulfill their contractual obligations. This liability can include financial losses resulting from delays, mismanagement, or non-compliance with regulatory requirements. Ship agents are often covered by professional indemnity insurance, which protects against potential claims arising from errors or omissions in the performance of their professional services.

Practice and Licensing

Ship's agents are required to obtain specific licenses or permits to operate legally. These authorizations are issued by maritime authorities or port authorities. Professional certifications may also be required, enhancing the credibility of the ship agent and ensuring that they meet established professional standards.

Fiduciary Duties

Ship's agents have a fiduciary duty to act in the best interests of their principal. This duty entails exercising care, skill, and diligence in their professional activities. Ship's agents must avoid conflicts of interest and disclose any situations that could harm the principal's interests. They are expected to act with transparency and adhere to the principles of professional governance.

3.2 The Agency Agreement Vs. Employment Contracts (Independent vs. Subordinate Relationships)

The ship's agent is linked to the principal (shipowner or charterer) through a Ship Agency Agreement (or "Ship's Husband Agreement"). This agreement is not an employment contract, but rather a contract under which the agent performs legal and operational tasks in service of the principal.

As such, there is no employment subordination, the agent carries out their duties independently. The contract between them is therefore considered a remunerated agency agreement, under which the agent acts in the name and

on behalf of the principal. Consequently, the agent is subject to all the provisions governing an agency contract, including its formation, effects, and termination.

(Source: *“Persons in Maritime Shipping” – Kamal Hamdi, 1993*)

The local domicile of the agent is considered the domicile of the principal, where all judicial documents and administrative or documentation procedures are served. It is required that the agency contract be executed in writing.

According to Egyptian law, the ship agent is not liable to shippers or consignees for the loss or damage of cargo received for shipment on board the vessel, or for cargo they handle during unloading for delivery to its owners, except in cases of personal fault or the fault of their subordinates (*Article 143 of the Egyptian Maritime Law*).

This aligns with Libyan legislation, which provides similar provisions in *Article 8 of Decree No. 328*.

No fines or penalties may be imposed on the agent for which they are not officially responsible. In such cases, the agent may file a complaint with the Chamber of Shipping, which may intervene according to its administrative regulations with the competent authorities. Similarly, the vessel cannot be held liable for fines arising from the ship agent's breach of duties.”

The **Ship Agency Agreement** imposes obligations on both parties. In practice, cargo owners often seek to extend the ship agent's responsibility to ensure protection of their rights.

3.3 Commissioned Agency: Principles and Applications

Commissioned Agency

An agency is considered a commissioned agency when the agent signs in their own name, under a commercial title, on behalf of the principal in exchange for a commission. In this case, the agent is liable to the third parties with whom they contract, and those parties cannot pursue claims against the principal.

Chapter 4: Contractual Foundations and Liabilities

- 4.1** The Ship Agency Agreement Core Elements.
- 4.2** Fiduciary Duties and Professional Governance.
- 4.3** Obligations and Rights of the Ship Agent.
- 4.4** Duties, Liabilities, and Limitation of Liability.

Chapter's Paragraphs and their explanation

4.1 The Ship Agency Agreement

Agency Agreement Terms

The terms of the agency relationship are governed by the agency agreement, which defines the agent's authority, responsibilities, and remuneration. The agent's performance is typically assessed based on the provisions of this agreement and professional standards.

Dispute Resolution

Disputes between ship agents and the principal or other parties can be resolved through arbitration or litigation, depending on the terms of the agency agreement and the applicable legal framework. Some disputes may also be resolved through mediation, where a neutral third party assists the involved parties in reaching a settlement.

Understanding the **legal status of the ship agent** is crucial to ensuring compliance with laws and regulations and effectively managing the risks associated with their role !

4.2 Fiduciary Duties and Professional Governance

Linking the Relationship Between the Ship's Agent and the Principal (Shipowners or Charterers)

The relationship between the ship's agent and the principal arises from an agreement between the two parties. The first party, the **principal**, consents to authorize another party to act on its behalf in performing tasks permitted under applicable legislation. This authorized party is referred to as the **agent**, who then interacts with a third party, which in turn may have a direct or implied contractual relationship with the principal.

It is essential for ship's agents to know which party they represent! whether it is the shipowner, the charterer, or the maritime broker. In practice, the agent often deals with multiple parties, resulting in varied communications and correspondences. To clarify legal responsibility and safeguard the rights of the ship's agent, it is necessary for the agent to understand the status of the **principal** and their relationship with the shipper, charterer, or even cargo forwarders (NVOCC and Forwarders) before commencing the documentation procedures with the parties involved in the maritime operation.

The ship's agent may act as an agent for the **shipowner**, and sometimes as an agent for the **charterer** in the case of a **time charter**, in which case the charterer is referred to as the **Disponent Owner**, and the agent represents the charterer. Some views hold that the agent may still be considered the owner's **agent nominated by the charterer!**

However, certain opinions maintain that the ship's agent is the legal representative of the shipowner, regardless of the commercial operations of the vessel or who issued the agency mandate to the ship agent.

4.3 Obligations and Rights of the ship Agent.

The primary role of the ship agent is to perform the tasks assigned by the principal, as stipulated in the agency agreement between the parties. Practically, the agent follows these operational steps:

After receiving the Notice of Arrival from the vessel, including the estimated time of arrival and details of the cargo, along with all relevant information about the shipment and the vessel, the ship agent proceeds with the following procedures:

- Notify the relevant port authorities of the vessel and cargo details, including the estimated time of arrival.
- Inform the consignee of the cargo details and the estimated arrival time.

- Prepare and organize the shipment documents and submit them to the relevant authorities upon the cargo's arrival (e.g., port revenue department and the customs vessel section), especially for direct delivery cargo, so that consignees can release their goods without delay, which could otherwise result in fines on the vessel or consignee.
- Verify the documents provided by the consignee before issuing the Delivery Order.

The **Obligations of the ship agent** can be summarized as follows:

- Adherence to the agency agreement with the principal.
- Follow instructions issued by the principal.
- Do not exceed the authority granted by the principal.
- Avoid earning profits outside the agency scope (no secret gains).
- Maintain confidentiality of the principal's information.
- Perform work directly through their office and do not delegate to others (Sub-Agent) without the principal's permission.
- Professional liability insurance to cover employee errors.
- Implement an effective communication system (IT) aligned with the principal's operational system.
- Be knowledgeable about local laws and regulations affecting the maritime agency market and shipping lines, and inform the principal of their implications.
- Follow up on the principal's rights with debtors (Debit Notes).
- Timely settlement of all invoices with port operators, as outstanding debts can affect the vessel even while the agent is being pursued.

However, while these obligations are essential, they do not suffice alone. One of the most fundamental aspects of maritime agency work is qualification and training. Before beginning operations, personnel must undergo proper education and practical training to be fully competent to perform this profession efficiently and professionally.

4.4 Duties, Liabilities, and Limitation of Liability.

The role of the Ship Agent is governed by a complex framework of fiduciary duties and legal Liabilities . Operating as the terrestrial extension of the Shipowner or Carrier, the agent acts within a "Contract of Mandate" that necessitates a high standard of professional care. Liability in this context is multifaceted, arising from administrative compliance, operational safety, and

financial stewardship. Understanding the boundaries of these liabilities and the statutory mechanisms available for their limitation is essential for risk management and the maintenance of professional integrity in the port environment.**the most important Duties of an Agent :**

Port Procedures

Arrival and departure formalities, including the steps for handling a vessel's arrival and departure, as well as procedures for securing berths and mooring operations. This also includes dealings with customs and immigration authorities, customs declarations, and crew documentation.

Cargo Handling

Cargo documentation, including the preparation of bills of lading, cargo manifests, and other essential shipping documents. It also covers cargo operations, such as arranging loading and discharging procedures, storage, and coordinating temporary storage and warehousing arrangements.

Key International Maritime Regulations and Local Port Rules

Familiarity with major international maritime conventions and regulations. Knowledge of local port rules, specific port regulations, and environmental compliance, including safety protocols and environmental guidelines.

Communication and Coordination

Coordinating with port authorities and working closely with port officials and service providers. Following established communication protocols and implementing effective strategies for interacting with shipowners, operators, and other stakeholders. Managing disputes, delays, and other operational issues that may arise.

Financial and Administrative Tasks

Preparing invoices and managing financial transactions and billing procedures. Overseeing expenses, tracking port charges, and ensuring timely payments.

Record Keeping

Maintaining accurate and comprehensive records of all transactions and operational activities.

Record Keeping

Maintaining accurate and comprehensive records of all transactions and operational activities.

Regulations and Compliance

This refers to the ship agent's responsibility to ensure adherence to all relevant maritime laws, international conventions, and local port regulations. It includes compliance with safety protocols, environmental standards, and operational rules set by authorities to guarantee that vessel operations are lawful, safe, and environmentally responsible.

Crew Management

Handling crew changes and managing crew documentation. Providing medical services and ensuring the health and welfare of the crew during their stay in port.

Emergency Procedures

Responding to emergencies and outlining the steps to be taken in the event of accidents, unforeseen incidents, or urgent situations.

Technology and Tools

Using software, systems, and technological tools applied in ship agency operations. Managing and securing data related to vessel operations.

Chapter 5: Jurisprudential and Scholarly Perspectives

5.1 Key jurisprudential Interpretations and Scholarly Views

"Jurisprudential views in maritime trade literature"

A Judicial explanation:

“ The Ship’s agent is , in the normal case , the agent of the ship owner at the particular port , and the ship’s agent , therefore at that port stands in the shoes of the ship owner , and it is reasonable to suppose that he has the authority to do whatever the ship owner has to do at that port .”

(Blandy Brothers & Co v.nello simon 1 , LTD.1963 , 2 Lloyds rep .393,404,per pearson L3)

A person who “ has power to affect the legal relations of his principal with a third party “

(Powell ,R ,Law of agency , 2nd Ed .London pitman , 1961.p.7.)

A person “invested with a legal power to alter his Principal’s legal relations with third persons: the principal is under a correlative liability to have his legal relations altered “

**(Dowrich , F.E.The relationship of principal and agent (1954)
17MLR 24 at p.36)**

In **Algerian legislation** regarding the maritime agent, a ship agent is defined as:

"Any natural or legal person who, for a fee and under an agency from the shipowner or master, undertakes operations related to the needs of the ship and on its behalf during the voyage, which are not performed by the master personally, as well as other usual operations associated with the vessel’s berthing in port" (**Algerian legislation, Article 609**).

Regarding **Egyptian legislation, Article 140** of Chapter Four states:

"The ship agent, acting as an agent for the shipowner, performs tasks related to the usual needs of the vessel."

Referring to the previous definitions provided by various legislations concerning the profession of the ship agent, we can summarize the following:

The profession has been referred to linguistically as “maritime agent” in some instances, as “ship’s agent” in others, and also as “ship’s husband. Among all these definitions, the latter term appears to be the most practical

and encompassing. From this, we can deduce the Legal Status of the Ship Agent .

According to “**The Alwaseet in Explaining Maritime Trade Law**” by Abdelkader Hassan Al-Atir:

- The ship's agent is liable for any mistakes committed while performing their duties under the provisions of general law (*Article 617 of the Algerian Maritime Agency Law*).
- The agent is not liable to shippers or consignees except in cases of personal fault or the fault of their subordinates (*Tunisian Journal of Maritime Commerce, Chapter 167, p. 63*).

The principal (shipowner or charterer) may not dismiss the ship agent at any time. The principal is obliged to compensate the agent for any damage resulting from dismissal at an inappropriate time or for an unacceptable reason. At the same time, the agent may resign from the agency, even if there is an agreement to the contrary, but the agent is liable to compensate the principal for any damage caused by such resignation.” (*Libyan Maritime Law, Ahmed Ashoush – 1977*).

Libyan maritime law does not provide explicit provisions regarding the ship agent's duties. instead, it determines the agent's legal status based on general legal principles and established jurisprudence and scholarly opinions.

According to the provisions of the Libyan Commercial Code (**Article 409/Paragraph 11 of Commercial Law No. 23 of 2010**), legal scholars consider maritime agency to be a form of commercial agency, thus subjecting it to the provisions of commercial law in both its formation and legal effects.

A ship's agent cannot be sued for non-performance of a carriage contract except in their capacity as an agent of the carrier. In this role, the agent has the right to invoke, on behalf of their principal, the exemption clauses provided by law for the carrier, as set out in the bill of lading, general legal rules, and established jurisprudence.

The agent may act on behalf of multiple principals, and the Ship Agency Agreement is not an employment contract! it does not create a subordination relationship. It is a remunerated agency contract and is considered a commercial agency subject to commercial law provisions. The court assesses

the agent's rights, authority, and interpretation based on the existence and terms of the agency contract between the parties.

A ship's agent may refuse to accept a claim filed against them personally for loss or damage to cargo during transport. However, there is no impediment to suing the agent in their capacity as an agent for the principal. In such cases, the agent is entitled to invoke the limitation of liability clauses stipulated in the carriage contract and may plead lack of personal liability as a defense.

Part III: Practical Functions and Documentation

Chapter 6: Types of Agents

6.1 Atypology of Maritime Shipping Agents -Owner's Agent - Charterers 's Agent -Port Agent) .

Shipping agencies play a crucial role in the logistics and transportation sector, handling the entire cycle from cargo logistics to customs clearance. The following are some common types of shipping agencies:

Forwarders

These agencies organize the shipment of goods on behalf of shippers. They handle logistics services, including reserving cargo space, negotiating rates, and managing documentation. They often work with different carriers to find the best routes and prices. A freight forwarder is a specialized company that arranges the movement of goods on behalf of shippers. In most cases, forwarders provide a variety of supply chain services, such as sea or air transport, and inland transportation from the point of origin and/or to the destination.

NVOCCs (Non-Vessel Operating Common Carrier)

They act as intermediaries between shipping companies and shipping lines. They do not own vessels but lease space on board ships and consolidate shipments. They are responsible for issuing their own bills of lading.

An NVOCC is a maritime transport company that provides all the services of a carrier but does not own its own vessel(s). They operate by leasing or purchasing available container space and use their own bill of lading to contract with clients.

Customs Brokers

These agencies specialize in managing the customs clearance process. They ensure that shipments comply with all legal import and export requirements and handle the necessary paperwork, fees, and taxes.

Ship's Agents

Ship's agents represent the interests of ship owners or operators at the ports. They handle vessel arrivals, loading, unloading, and departures, as well as coordination with port authorities and service providers.

Shipping Lines

These are the actual transport companies that own and operate vessels. They provide cargo transportation services via various means, including container ships, bulk carriers, or tankers.

Port Operators

They manage port facilities and operations, such as loading and unloading cargo, maintaining infrastructure, and ensuring the efficiency of port activities.

3PL Third Party Logistics

Third-party logistics providers (3PL) offer comprehensive logistics solutions, including transportation, warehousing, and distribution. They manage entire supply chains on behalf of clients. The term "third-party logistics" refers to outsourcing logistics and supply chain management functions to a company separate from the original business operations. Third party in business and logistics refers to an entity that is neither the original supplier (first party) nor the final customer (second party). Instead, it is an independent service provider that manages and executes specific tasks or functions on behalf of the first two parties.

Each type of shipping agency has a specialized role, but they all work together to ensure the efficient and effective movement of goods across global trade routes.

Chapter 7: Documentation and the Ship's Agent

7.1 Maritime Cargo Transport Documents.

7.2 The Agent's Role in Document Circulation and Processing.

7.3 Key Contractual Documents in Agency Operations.

Chapter's Paragraphs and their explanation

7.1 Maritime Cargo Transport Documents

The ship's agent relies on a comprehensive set of documents that form the backbone of maritime cargo transport operations and cannot perform their duties effectively without handling them. The most important of these documents include, but are not limited to:

The key documents that a ship's agent relies on in maritime cargo operations include, but are not limited to:

- **Bills of Lading (B/L)** serve as the contract of carriage, receipt of goods, and document of title.
- **Telex Release** instructions for releasing cargo without presenting the original bill of lading.
- **Delivery Orders** authorize the release of cargo to the consignee or their representative.
- **Statement of Facts (SoF)** a formal record of events and times related to a vessel's stay in port, including arrival, berthing, cargo operations, and departure.
- **Notice of Readiness (NOR)** notification indicating that the vessel is ready to load or discharge cargo.
- **Cargo Manifest** detailed list of all cargo on board, specifying quantities, weights, and destinations.

- **Shipping Order** instructions regarding the handling, loading, and discharge of cargo.
- **Arrival & Departure Notes** official notifications of the vessel's arrival at and departure from the port for operational and regulatory purposes

7.2 The Agent's Role in Document Circulation and Processing

If we examine the roles of the shipper, carrier, agent, and all other parties involved in the cargo cycle from start to finish, we find that it is entirely dependent on the circulation of documents. So, what are these documents, in what forms and stages do they circulate, and what is the role of each party in handling them !

It is essential for all parties to understand these documents and the implications arising from them in order to ensure the successful completion of the documentation process all the way to the final destination.

Types of Documents:

A) Commercial Documents (Goods Sale Contract):

- Sale contract / Commercial invoice / Inspection certificates to determine quality / Certificate of origin.
- Insurance policies covering risks and damages.

B) Contractual Documents with Shipping Agents:

- Land transportation of cargo.
- Customs clearance services.
- Ship agency services.
- Services of stevedoring contractors (loading and unloading operations).

C) Banking Documents:

- Letter of credit.
- Other documents required by the bank to guarantee payment.

D) Documents of the Maritime Transport Contract:

- Charter party (depending on the type of contract).
- Bills of lading.
- Cargo booking form on board the vessel (Recap / Booking form).
- Mate's receipt.
- Delivery order.
- Statement of facts.

7.3 Key Contractual Documents in Agency Operations.

In the complex ecosystem of international maritime trade, documentation serves as the vital legal and operational link between sea and shore. For the shipping agent, managing contractual documents is not merely a clerical task but a fundamental fiduciary responsibility. These documents define the rights, risks, and liabilities of the carrier, the cargo owner, and the port authorities.

Operating within a "Contract of Mandate," the agent must ensure that every instrument from the Bill of Lading to the Statement of Facts is executed with precision. These records act as the primary evidence in maritime courts and are essential for the financial settlement of voyages. In an industry where time is money, the integrity of the documentation cycle determines the efficiency of port stays and the protection of the principal's interests against claims and disputes.

The following Pillars outline the essential instruments that constitute the backbone of shipping agency operations, categorized by their legal function and operational necessity:

7.3.1 Core Agency & Nomination Documents.

These establish the fundamental legal and commercial relationship:

Agency Agreement / Power of Attorney (POA) :

The foundational contract between the shipowner/charterer (the Principal) and the Agent. It defines the scope of authority, geographical limits, services to be provided, remuneration (usually a fee scale or lump sum per call), liability clauses, and termination terms. A General POA may be granted for ongoing representation, while a Special POA is for a specific vessel/voyage.

Port Agency Agreement

Often a shorter, port-specific version of the above, confirming appointment for a particular port call.

Letter of Appointment (LOA)

A formal letter, often email, appointing the agent for a specific vessel and voyage. It serves as immediate authorization before a full agreement is signed.

7.3.2 Operational & Vessel Port Call Documents :

These authorize and record the agent's specific actions on behalf of the principal.

- Notice of Readiness (NOR)

The agent often presents this to the charterer's agent or port authority, formally declaring the vessel's arrival and readiness to load/discharge. It triggers the commencement of laytime (the allotted time for cargo operations).

- Statement of Facts (SoF)

Arguably the agent's most critical operational document. It is a neutral, chronological log of the entire port call, arrival, berthing, cargo operations (with stoppages and reasons), bunkering, supplies, departure, and weather. It is the basis for calculating laytime and demurrage/despatch.

- Port Expenses Authorization

A detailed estimate (Proforma Disbursement Account) approved by the principal, authorizing the agent to incur expenses on their behalf.

- Cargo Documentation Instructions

Specific directives from the principal on how to issue and handle Bills of Lading (e.g., to whose order, release requirements), Waybills, or Manifests.

- **Financial & Settlement Documents :**

These track costs, provide proof of expenditure, and facilitate payment.

- Disbursement Account (D/A)

The final, audited statement of all expenses incurred by the agent on the principal's behalf during the port call (port dues, pilotage, towage, stevedoring, supplies, etc.), plus the agent's fee. It is supported by original receipts/invoices.

- Proforma Disbursement Account (PDA)

The *estimated* cost of the port call, provided to the principal before arrival to secure funds or a guarantee.

- Invoice for Agency Fees

The agent's professional fee, separate from the disbursements, as per the agency agreement.

- Letter of Undertaking (LOU) / Bank Guarantee

Often required by port authorities or suppliers (like bunker companies) as a financial guarantee for potential claims, issued by the agent's bank on behalf of the shipowner.

Regulatory & Third-Party Contracts :

- Authority to Act as Ship's Representative

A declaration to port, customs, immigration, and health authorities, often backed by the POA, legally authorizing the agent to make declarations and sign documents on the master's behalf.

- Crew Handling & Husbandry Services Contracts

Agreements with providers for crew changes, medical assistance, cash-to-master, hotels, and transportation.

- Bunker Supply Contract (Bunker Confirmation Note)

The contract for fuel supply, which the agent often facilitates and coordinates.

- Stevedoring Contract

Agreement with the cargo-handling company, negotiated and concluded by the agent as per the principal's instructions.

- ISPS Declaration / Security Related Documents

The agent ensures compliance with the International Ship and Port Facility Security Code, often signing relevant declarations.

Post-Call & Reporting Documents

- Laytime Calculation / Demurrage/Despatch Statement

A commercial document (often prepared by the charterer's agent but verified by the owner's agent) using the Statement of Facts to calculate if the vessel was faster or slower than agreed, resulting in a despatch payment to the charterer or demurrage payment to the owner.

- Port Call Report / Debrief

A summary report sent to the principal, highlighting key events, issues, performance, and any unusual occurrences.

In Practice The agent's role is to expertly manage the lifecycle of these documents from receiving the LOA(Attorney), to drafting the PDA, to meticulously recording the SoF, to collecting invoices for the D/A, and finally, issuing the laytime calculation. Each document interlinks to create a complete, defendable, and billable record of the port call. A professional agent's value lies in their accuracy, timeliness, and integrity in handling this precise paper trail.

A **ship's agent** is a natural or legal person entrusted with carrying out the usual and necessary tasks for a vessel, providing for its needs while berthed at a seaport or offshore platform. This includes preparing the documentation related to the vessel's arrival and berthing, overseeing cargo loading and unloading operations, **and** handling the departure procedures when the vessel is ready to sail, in coordination with all relevant parties. The agent operates within the limits of their agency and performs these activities as part of a commercial enterprise. The ship agent represents the lawful channel through which shipowners, charterers or their representatives, as well as the vessel's master and crew, are addressed.

Professional Legal Dialogue On

“The Formalization of Ship Agency Contracts and the Delineation of Obligation and Acquisition”

09-Dec-25



Dr : Saadie

Mr : Bey

Mr :Bredan

Dr : Dammak

Dialogue Panel

Dr. Hisham Dammak – Mr. Ahmed Khalil Bredan

Dr. Abdelhamid Al-Saadi – Mr. Husni Bey

Preamble :

Within the framework of strengthening maritime integration between Libya and sister nation Tunisia, a specialized professional dialogue was held, bringing together a distinguished group of experts in ship agency services and maritime law. The aim was to unify perspectives and develop a shared understanding of the roles of ship agents and the legal challenges associated with their activities.

The discussion team , Mr. Ahmed Khalil Bredan, Dr. Hichem Dammak, Dr. Abdelhamid Al-Saadi, and Mr. Husni Bey. engaged in an in-depth conversation designed to connect the practical expertise of those working in the ship agency sector with specialized legal insights. This contributes to improving professional practice and raising compliance standards within Libyan ports.

The importance of this dialogue stems from the fact that the ship agency sector represents a vital link in the maritime transport chain. Effective

coordination between technical and legal experts is therefore indispensable to ensure procedural integrity, draft clear contracts, and enhance risk-management capacity within the port environment.

The meeting also served as an opportunity to strengthen Libyan-Tunisian maritime cooperation through knowledge exchange and professional harmonization.laying the foundation for a more unified operational environment across the ports of both countries.

This dialogue comes at a time when the maritime sector in the Maghreb region requires increased integration and networking between training institutions, professional unions, academic experts, and legal specialists, making it a model of regional partnership supportive of development and good governance in the maritime domain.

Proceedings of the Dialogue

Opening by Mr. Ahmed Bredan

Mr . Bredan emphasized that the written documentation of ship agency contracts is both a practical and legal necessity particularly for liner vessels because it organizes the contractual relationship and clearly defines the rights and obligations of both the agent and the shipowner. For *tramp ships*, however, the nature of their irregular operations often makes it difficult to formalize a written contract. Instead, the relationship is typically created via a *Nomination* issued by the shipowner without defining precise obligations and rights. This practice can lead to compliance issues, risk-management challenges, and ambiguity in the agent's relationship with stakeholders in the port environment.

Mr. Husni's Opinion

Mr . Husni's Opinion Stated that a written agency contract becomes necessary only when the agent undertakes actions that impose obligations on the principal. He provided an example:

A Person may purchase real estate on behalf of another without a written agency contract if the transaction creates no harm or liability for the principal, ownership simply transfers without complications. However, if the

agent incurs a financial obligation on behalf of the principal without the principal's ability to repay it, then the act is invalid and must be annulled unless it was performed under a written, legally documented agency.

Mr. Bredan's Comment

Mr. Bredan's Comment noted that although this is a respected legal opinion, it is more applicable to traditional civil or commercial agency. In the case of ship agency, the agent carries multiple layers of liability, including:

- Contractual civil liability
- Tort liability
- Criminal liability in dealings with port and customs authorities
- Administrative and professional liability within compliance requirements

Thus, the competent court or dispute-resolution mechanism cannot be determined without a written document evidencing the contractual relationship. A written contract is therefore indispensable.

Dr. Abdelhamid Al-Saadi's Opinion

Dr. Al-Saadi relied on Article 700 of the Civil Code, which requires the same formal conditions for the agency as for the underlying act. He emphasized:

- If the subject of the agency is a formal act, the agency must also be written and documented.
- The Civil Code requires written evidence for transactions exceeding 10 dinars, a value rendered trivial by inflation.

The absence of a written agency may lead to a **case being dismissed for lack of proper legal standing**, particularly when dealing with a ship agent.

Although the commercial nature of a ship agent's work theoretically allows proof by any means, in practice this frequently clashes with procedural barriers before the courts.

He concluded by referencing the Qur'an's longest verse-Ayat al-Dayn-which commands writing transactions, noting that obligations may involve money, an act, or abstaining from an act. This underscores the importance of documentation to safeguard rights.

Mr. Bredan's Note

He added that, based on nearly 30 years of experience, documenting contracts for tramp ships remains extremely challenging in practice.

Dr. Hichem Dammak's Opinion

Dr. Dammak agreed with Mr. Husni that agency relates to the legal act itself (selling, buying, leasing, etc.), not to the resulting acquisition.

Acquisition is merely the effect of the act, not the act itself, and therefore cannot constitute the subject of an agency contract.

Continuation by Dr. Al-Saadi

He stressed that commercial agency contracts, including ship agency, are bilateral agreements:

-The agent is obligated to execute the agency in good faith and provide an accounting.

-The principal is obligated to pay the agency fee and bear the legal consequences of acts performed by the agent in his name and on his behalf.

Since the agency creates reciprocal rights and obligations, distinguishing between obligation and acquisition does not change the fact that the relationship is contractual, and thus must be in writing to be legally coherent and provable.

Dr. Dammak's Concluding Evidentiary Note

In the absence of a written contract or a specific legal provision governing the agency, the relationship is subject to the general rules of evidence under the Civil Code.

The legal act is what creates, modifies, or extinguishes a right, and constitutes the essence of agency. Acquisition is merely an effect of the act, not the subject of agency. Understanding the distinction between act and acquisition is essential in determining the scope of agency.

Conclusion

From the views expressed during the dialogue, it is evident that **the written formalization of ship agency contracts is not only a legal requirement but a practical necessity**, ensuring:

- Clear delineation of responsibilities
- Protection of parties before the courts
- Regulatory compliance
- Effective risk management in the port environment
- Transparency for stakeholders regarding the agent's authority and link to the principal

"Tramp ships remain a special case, but the difficulty of application does not negate the legal and practical need for written documentation, rather, it reinforces it."

Presented, Moderated, and Summarized by:

Ahmed Bredan

Libyan Maritime Association Founder CEO

ceo@libyanmaritime.org.ly - Cell: +218 91 213 0713

9 December 2025