

11th OCT 2024

MINUTES OF EC MEETING HELD ON FRIDAY 11TH Oct, 2024 AT 3.30 PM ON 8TH FLOOR **PNSC BUILDING KARACHI (ONLINE)**

S. NO	Name	Organization	Designation
1.	Mr. Abdullah Farrukh.	Pak Shaheen	Chairman
2.	Mr. Salahuddin Khuhro	Hapag Lloyd	Senior Vice Chairman
3.	Mr. Talha/ Faisal proxy for Capt Shakoor.	Allied Logistics	Vice Chairman
4.	Mr. Mohammad Aslam Ibraheem	Burma Oil Mills	EC Member
5.	Mr. Mohammad Hashim	FCG	EC Member
6.	Mr. Amin Anwar	Pak Shaheen	EC Member
7.	Mr. Sabeeh Yousuf	Pak Shaheen	Observing Member
8.	Mr. Azher Alam	OOCL	Ex. EC & Guest Member
9.	Mr. Akram Zaheer	Meezan Bank	Regional Head Shipping MBL
10.	Mr. Kashif Zaidi	Meezan Bank	Operational Head HO MBL
11.	Syed Ali Murad	Meezan Bank	Branch Head Shaheen Complex
12.	Capt. Ibraheem Zaheer	APSA	Secretary General
13.	Mrs. Samar Waqas	APSA	Deputy Secretary
14.	Mr. Tahir Sheikh	MSC-Pak	Ex. Vice Chairman/Guest Member

ORIENTATION

The Meeting started with selected verses of the Holy Quran.

CONVERSATION OF THE MEETING w.r.t. the AGENDA

A meeting of the Executive Committee (EC) members was convened to address the following agenda items:

ADDITIONAL AGENDA -1

MEEZAN BANK LIMITED (MBL) INVITED TO PROVIDE INSIGHTS ON EXCHANGE RATES AND FACILITATE MEETING WITH SBP OFFICIALS IN RESPONSE TO RECENT PORT NOTICES REGARDING SHIPPING LINE **EXCHANGE RATES**

Capt. Zaheer, the Secretary General, request Mr. Azher to provide a briefing, with assistance from the Meezan Bank team. Mr. Azher shared that the All Pakistan Shipping Association (APSA) and Pakistan Ship Agents Association (PSAA) have received notices from PQA Customs, instructing shipping lines to use National Bank of Pakistan (NBP) exchange rates for freight conversions. Similar notices were

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previously issued by Customs Karachi. APSA had responded, with legal counsel Aga Zafar Muhammad, stating that Customs does not have the authority to dictate exchange rates, as this falls under the SBP's jurisdiction. Shipping lines are permitted to use authorized dealer rates, which are set by commercial banks, not interbank rates.

APSA also recently arranged a presentation by Customs officials, including Mr. Umar Shafique, who confirmed that Customs is consulting the SBP on this issue.

In light of the new PQA notice, it was suggested that APSA should present their perspective to the SBP to ensure a balanced decision. Meezan Bank, having previously helped APSA engage with the SBP, offered their support once again. The Meezan Bank team, including Akram Zaheer, Kashif Zaidi, and Syed Ali Murad, shared their experience working with shipping lines on remittances and exchange rates. They agreed to assist APSA in setting up a meeting with SBP's Exchange Policy Department.

Mr. Kashif requested APSA to share recent notices to help prepare for the SBP meeting.

In response, APSA Chairman Mr. Abdullah thanked Meezan Bank for clarifying the issues and said a strategy would be discussed internally before further engagement with SBP. Mr. Salah Uddin emphasized the need for stakeholder consultation before meeting SBP officials.

AGENDA 2 (Confirmation on the Previous EC Meeting July 26th, 2024)

Mr. Salahuddin raised the concern that the confirmation of the last EC meeting minutes should be done by the previous EC members. It was agreed that the minutes will be circulated to the former EC members for their confirmation, and this practice will be followed in the future as well. Chairman Abdullah Farrukh advised that once the minutes are circulated, a seven-day period should be allowed for feedback. If no response is received within that time, the minutes will be considered approved. This procedure will be followed in future.

AGENDA 3: DISCUSSION OF MEETINGS WITH VARIOUS AUTHORITIES (CUSTOMS, KPT, AND PQA)

Mr. Abdullah Farrukh stated that he will provide a list to Mr. Sabeeh Yousuf. He also proposed the following:

- 1. Conduct EC meetings on a monthly basis.
- 2. Arrange a high-profile meeting with Customs, KPT, PQA, and other relevant authorities.
- 3. Request all members to submit their comments for discussion.



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AGENDA 4: STUCK CONTAINERS

Capt. Zaheer informed the members that between 8,000 to 9,000 containers remain stuck, awaiting auction or destruction. Another issue involves containers with GD holds, which have been pending for 5-6 years after Auction. Although there is an option to clear them by raising a CRF in Weboc, the old GD remains attached, creating problems for members. Despite Customs made CRF and instructed AC/DC MIS to detach the previous GDs, no progress has been made after more than a week of efforts, and the GD holds persist. APSA will follow up with the concern collectorate.

Mr. Salah Uddin suggested the following actions:

- 1. Request members to submit their container lists.
- 2. Maintain communication and coordination with members.
- 3. Ensure strong collaboration among members.
- 4. Follow up with calling members if responses are delayed.

Regarding the GD hold issues:

- 1. Arrange meetings with relevant departments.
- 2. Draft a well-prepared, fact-based letter.
- 3. Submit the letter to the concerned authorities.

Capt. Zaheer addressed the Port of Load (POL) issue with our members, noting that Customs requested documents from POL:

- 1. Some members contacted POL for documents like the GD copy, Packing List, and Invoice.
- 2. While some provided the necessary details, others couldn't provide due to unavailability.
- 3. Certain members obtained a court stay order, arguing that documents from the port of origin are not relevant to shipping line documentation.
- 3. Some members obtained a Stay Order from court, stating documents from port of origin are not relevant to shipping line documentation.

AGENDA 5: PENDING CUSTOMS MATTERS AND FIA NOTICE

Capt. Zaheer briefed the members that:

- 1. Customs have handed over the Solar Panel cargo case and documents to the FIA.
- 2. FIA is now calling members for further investigation.
- 3. FIA is requesting the same documents from the Port of Origin (POL).

Chairman Abdullah Farrukh proposed the following solutions:

- 1. Government bodies already have established communication channels.
- 2. Shipping agents should avoid direct involvement; instead, the Ministry of Interior should contact Pakistan embassies at the POL to request the necessary customs documents.
- **3.** Alternatively, shipping agents may seek legal assistance from Advocate Agha Zafar for drafting required documents in the light of above advise.



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Mr. Salahuddin added that while members should provide documents within their capacity, any difficulties should be reported to the secretary APSA.

Capt. Abdul Shakoor suggested:

- 1. Members should attempt to obtain the documents from the POL.
- 2. A response letter should be sent by concern member.

He further mentioned that even if the documents can't be provided, members should offer assistance to customs and relevant authorities as per his previous case experience.

AGENDA 6: DGTO/SECP DISCREPANCY LETTER REGARDING APSA LICENSE RENEWAL

The EC members were briefed on the current status of APSA's license renewal. APSA is working to address the discrepancies and will resubmit the required documents to process the license with DGTO/SECP.

AGENDA 7: WSC LETTER

Mr. Tahir, former Vice Chairman, informed the members that the World Shipping Council (WSC) is aware of recent developments, including meetings with KPT and other authorities. There has been significant pressure regarding unregulated detention and freight charges imposed by shipping lines.

Key points discussed:

- 1. WSC hired a lawyer and drafted a letter to the ministry.
- 2. WSC has been engaged to offer support on the matter.
- 3. Concerns were raised about the proposed Freight Services Regulatory Bill, which included powers for officers to inspect shipping agent offices and investigate them without prior notice.
- 4. A PR firm to be engaged to maintain momentum on these issues.

Mr. Abdullah appreciated Mr. Tahir and previous EC for the progress made on these matters.

AGENDA 8: SINDH BOARD OF REVENUE MATTER (E-STAMPING/FRANKING MACHINE)

Mr. Salahuddin explained that the Revenue Board plans to replace Franking Machines with an electronic portal, allowing shipping lines to upload data and generate Bar-codes for stamping fees.

Action items:

1. Obtain updates on the development from the Revenue Board.

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- 2. Provide feedback on shipping lines' comments.
- 3. Arrange a meeting with the development team.
- 4. Use email for formal communication and WhatsApp for EC members' immediate updates.

AGENDA 9: ISSUANCE OF DELIVERY ORDERS ON SATURDAYS BY SHIPPING LINES

Capt. Zaheer briefed members on requests from shipping agents regarding whether to continue opening Delivery Order (D/O) counters on Saturdays.

Key considerations:

- Sudden changes may cause issues.
- Customers should be informed about any adjustments.
- Companies can choose whether to support Saturday operations.
- Encourage customers to use online services for payments and communications, reducing manual processes on Saturdays.

The meeting concluded with a vote of thanks.