



THURSDAY 16<sup>th</sup> MAY - MORNING

## LINER TRADES

Time allowed – three hours

Answer any FIVE questions – all questions carry equal marks

Please read the questions carefully before answering

1. Liner Trades can be either 'Deep Sea' or 'Short Sea'. Compare the main characteristics of each type of trade identifying any differences in the operational requirements and types of vessels used.

Support your answer with maps and examples of actual trades.

2. Explain the reasons for application of and purpose of **FIVE** of the following charges, or surcharges, which may be payable to carriers in addition to sea freight. Why are these charges often unpopular with exporters and importers?
  - i. Currency adjustment factor [CAF]
  - ii. Bunker adjustment factor [BAF]
  - iii. Terminal handling charges [THC]
  - iv. Import service fees and documentation charges
  - v. Port congestion surcharges
  - vi. War risk surcharges
  - vii. Container detention and demurrage

3. Explain the activities of a Non-Vessel Operating Carrier [NVO] and the contractual relationship of an NVO with the cargo owner and the ocean carrier. Discuss the relationship between the bills of lading issued by the NVO and ocean carrier respectively and any problems that might arise.

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4. Discuss the criteria which govern the cargo stowage of a large container ship and an overview of the process that a carrier vessel stowage planner needs to consider.
5. The increasing availability of fully modernised container terminals in all parts of the world may make geared container ships obsolete. Discuss the validity of this statement and consider the extent to which geared container ships might be replaced by RoRo or specialised Multipurpose vessels noting the continued expansion of smaller ports.
6. Dominant and non-dominant legs are terms used to describe a specific trade route. Explain what is meant by both and use current trade examples to demonstrate this giving details on why this happens. Why would some trades have a dominant [balanced] leg in both directions but with other container flow challenges?

Use the world map provided to support your answer.

7. Describe the role of container leasing companies and the type of leases offered to carriers. What are the advantages and disadvantages between owning and leasing containers for the carrier? Briefly describe the key features of **TWO** of the following equipment types and give an example of cargo carried in each:
  - i. Ventilated containers.
  - ii. Open top containers.
  - iii. Flat rack containers or platforms.
  - iv. Tank containers.
  - v. Temperature controlled containers.
8. Answer **BOTH** parts of the question.

The new MARPOL 2020 global low Sulphur fuel regulation or IMO 2020 Sulphur Cap is going to affect price and availability of bunker fuel worldwide.

- a) Discuss these changes, and;
- b) the measures carriers will need to employ to control their fuel costs.