



EXAMINER'S REPORT NOVEMBER 2019

INTRODUCTION TO SHIPPING

General comments:

Strong time management is important to completing a successful paper. Many students did well in completing most questions with a clear discussion. Adding a clear introduction, discussion and conclusion greatly improved answers.

Q1. Answer BOTH parts of the question.

- a) Describe TWO of the four main types of crude oil tankers and the deadweight capacity.
- b) Using the world map provided to support your answer, draw the crude oil trade routes identifying FOUR major crude oil load ports and FOUR discharge ports

Part a) the size and capacity of the tankers had to be correct. Drawing the tankers was not required. Many students were able to name the main load and discharge ports but many struggled to correctly draw the trade routes on the maps. Maritime geography is a main element of the Introduction to Shipping syllabus, thus students should pay more attention to this areas.

Q2. Define and briefly discuss ALL these shipping terms.

- a) NVOCC
- b) Naabsa
- c) COA
- d) NOR
- e) SHEX

This was aimed at assessing the student's ability to define and discuss key terms.

Some did however struggle with the NVOCC and Naabsa definitions. These are common definitions used in the industry and students should be aware of and familiar with them in the future.

Q3. Explain the role of each of the following, and their function in shipping.

- a) IMO
- b) ITF
- c) P&I Clubs
- d) PSC

This was an organisation question that gave students the opportunity to their extensive shipping knowledge.

The main error made by students was ITF which stands for The International Transport Workers' Federation, many students did not include the 'Workers' in the definition.

Q4. Using the world map provided draw and name the main oceans, seas and canals.

This question aimed at assessing the students' maritime geography knowledge. The focus was on the main shipping waterways including the main oceans, seas and canals. The majority of students were able to identify the oceans and some seas but struggled on the waterways. Students should have included the Kiel Canal, Malacca Strait, Gibraltar Strait, Hormuz Strait, Dover Strait, Denmark Strait, Bosporous Strait, Bering Strait, North Channel, Mozambique Strait, Bab-el-Mandeb Strait, Mesina Strait and Yucatan Strait.

Locating more than 5 of these would have allowed students to score very high marks.

Q5. Identify and discuss the main functions of a Bill of Lading.

The intent was to allow students to identify and discuss three functions of a BL and explained in a small paragraph each with references to the respective characteristics. The functions to be discussed were the receipt as to quality and quantity, evidence of the contract of carriage-not simply evidence of the contract and document of title including its paramount meaning as to ownership of the goods basis on who is the lawful holder not simply holder. The better students were able to do this along with the ability to also use examples to better explain their points.

Q6. What is the role of a ship registry?

Students were expected to discuss the ship's registry as an important factor when the court makes the decision on judging disputes arising from or with the vessel. Very importantly, students should have covered the point that the ship's flag is a representation of the ship's nationality, which means the ship is under control by the registered country.

The ship registry ensures that the ships follow the regulation of the country and also can get the various protections or have the preferential treatments. Some students touched on the element of cheaper taxes and lower crewing cost which was good.

Q7. Tropical revolving storms (hurricanes, typhoons, and cyclones) affect shipping in different parts of the world.

Using the world map provided indicate the areas in which such storms can occur, the seasons when they occur and explain what steps a vessel may take to avoid such weather.

Students were expected to identify the regions and dates of hurricanes, typhoon, cyclone as follows:

1. Hurricanes in the Caribbean Sea/ Gulf of Mexico. June to November.
2. Typhoons in NW Pacific. June to November.
3. Cyclones in SW Pacific. December to April.
4. Typhoons in the China Sea / Far East. June to November.
5. Cyclones in the West Indian Ocean)/ Mozambique Channel. November to April.

Students were also required to discuss the performance clause in a time charter which will state the speed and fuel consumption for the vessel. The wind strength (Beaufort) and sea state (Douglas) need to be recorded by the vessel and can also be obtained from independent weather routing companies. This will be used in the event of disputes.

Q8. Answer BOTH parts of the question.

- a) **What is required to create a legally binding contract?**
- b) **Discuss how tort can provide legal recourse for an injured party where no contract is in place. Give an example of a type of tort.**

Students were expected to identify and discuss the elements of offer, a specific expression of willingness to enter into a contract on specified terms. Acceptance, the offer must be accepted on the exact stated terms. This converts the offer into an agreement. Consideration, for the agreement to become a contract there has to be a consideration. The person to whom the offer is made must give or promise to give something in return for the offer.

Legality, to be valid a contract must also be legally enforceable; the persons must be of legal age and capacity to make the contract. Students did better with part b, dealing with the tort aspect nicely, using very good examples to demonstrate their understanding.