



EXAMINER'S REPORT MAY 2021

INTRODUCTION TO SHIPPING

General comments:

The questions set for the May 2021 exam session were robust covering the main areas of the syllabus. Most students made a solid attempt, demonstrating their extensive knowledge on Introduction to Shipping both in theory and practice. Most students once again were able to complete the required five questions. The maritime geography question was completed very well by many students. Many students are still not writing a clear introduction, body and conclusion, which would greatly improve the structure and create a well-developed answer. Students must work on ensuring that their definitions are clear and accurate. Overall the session was a good attempt at what was a balanced Introduction to Shipping paper.

Question 1:

Answer BOTH parts of the question:

- Define what stowage factors are and their importance for loading bulk cargo.
- Using wood chips and iron ore as examples, discuss how the stowage factor would be applied.

What was being looked for by the examiner.

This question was completed by a fair number of students who were able to provide a basic definition of stowage factor. Many students did not mention that it is the notional amount to be calculated in order to know the extent necessary for the normal conditions of the loading area, including the losses caused by means of transport and packaging in relation to the weight of the load. A few students covered the fact that Shipbrokers and operators need to work out how much iron ore can be loaded by calculating whether the cubic capacity or the deadweight will be reached first. The result will affect the quantity of cargo that can be loaded.

Many students only spent time discussing the element or iron ore and did not develop any discussion around wood chips.

Question 2:

Define and briefly discuss ALL of the following shipping terms.

- a. **FOB**
- b. **CIF**
- c. **COA**
- d. **FIOST**

What was being looked for by the examiner.

This was a straightforward definition question. Most students were able to cover three or four definitions clearly. However, limited discussion was used to further develop strong answers. Only a few top students were able to cover this question comprehensively.

Question 3:

Answer BOTH part of the question.

- a. **Describe the functions of the Bill of Lading and their importance.**
- b. **What is an Endorsement, how is it used and why?**

What was being looked for by the examiner.

This question was intended to test student's understanding of the basic elements of a contract. Part a) was done very well, but many students spent too much time on this segment. A limited number of students accurately covered the endorsement part.

Students were expected to discuss that for the release of cargo at destination and for the purpose of documentary credit negotiations, there are several endorsements required on a bill of lading. Importantly, at destination ports, agents will issue release of cargo only after at least 1 of the issued original B/L are surrendered and after checking the endorsements on the back of the B/L as it is possible for this type of B/L to be endorsed or transferred to another company.

Question 4:

Answer BOTH parts of the question:

- a. **Draw and fully label the Plimsoll Line / Load Line stating what each acronym stands for.**
- b. **What is the purpose of the Load Line?**

What was being looked for by the examiner.

This was a popular question for students, but many students were unable to give clear discussion on the real purpose of the Load Line. Students were expected to discuss that the fundamental purpose of a Load Line is to allot a maximum legal limit up to which a ship can be loaded by cargo. By prescribing such limits, the risk of having the vessel sailing with inadequate freeboard and buoyancy can be limited. A vessel should have sufficient freeboard at all times, any exceptions made will result in insufficient stability and excessive stress on the ship's hull. This is where load lines play an

important role, as it makes the task of detecting whether the vessel is over-loaded and its freeboard tremendously easy and effortless.

Question 5:

Answer BOTH parts of the question.

- a. Discuss what measures are taken by the IMO to facilitate safety at sea?**
- b. Identify FIVE maritime safety and security and ship to port interface conventions.**

What was being looked for by the examiner.

In this question students were expected to focus on the measures taken by IMO to facilitate safety at sea. Students are expected to discuss the industrial revolution of the eighteenth and nineteenth centuries and the upsurge in international commerce which followed resulting in the adoption of a number of international treaties related to shipping, including safety. The subjects covered included tonnage measurement, the prevention of collisions, signalling and others.

Students were required to identify conventions such as:

- International Convention for the Safety of Life at Sea (SOLAS), 1974, as amended.
- Convention on the International Regulations for Preventing Collisions at Sea (COLREG), 1972
- Convention on Facilitation of International Maritime Traffic (FAL), 1965
- International Convention on Load Lines (LL), 1966
- International Convention on Maritime Search and Rescue (SAR), 1979

A general error of students were confusing safety conventions with pollution conventions.

Question 6:

Answer BOTH parts of the question.

- a. Discuss the key elements of a voyage charter party.**
- b. Examine the following voyage charterparty clauses instructions to Master.**

Claims and Expenses, Communications with the Vessel, Cargo and Freight.

Collection.

What is being looked for by the examiner.

Part of this question was well done. Most students did well in discussing the elements of a voyage charterparty. Part b was a bit more challenging for students. Instructions to Master for example, students should have covered that the operator must make the following details known to the master by email or telex as soon as they are received after completion of charter party negotiations. In some cases this information will take the form of a recap and/or charterers voyage orders may include:

- Charterer
- Laydays

- Ports
- Tendering of Notices
- Cargo
- Load/Discharge Rates

Regarding cargo collection also, the operator, by communicating with the Master, shall monitor that:

- The cargo spaces have been accepted by the shippers
- The correct amount of cargo agreed under the charter party has been loaded/discharged
- There are no discrepancies in the Bill of Lading or shore to ship weights

Overall, this was one of the weaker attempted questions.

Question 7:

Answer BOTH parts of the question.

- Using the world map provided, show FOUR principal routes used for the carriage of grain, including the load and discharge ports and the oceans, seas and waterways.**
- What factors can affect the demand and supply of this commodity and what type of vessels typically carry grain cargo.**

What was being looked for by the examiner.

This was not a popular question and seemed to have caused some students problems even though it was a straightforward maritime trade routes question. Some students are still producing poorly drawn and labelled world maps. Some students are also incorrectly positioning the ports of their choice.

Part b required students to cover factors that affect shipping including but not limited to climate (droughts and floods in different countries can affect demand and supply. Other factors can be famine relief, and political situations. Ice affects the export of wheat from Canada. The Great Lakes are closed in winter and the port of Churchill in Hudson Bay is only open from July to October. Grain is liable to shift on vessels in heavy weather, and so specially designed bulk carriers are required with self-trimming holds or wing tanks that bleed the cargo into the main hold.

Question 8:

Answer BOTH parts of the question.

Discuss the role and function of:

- Ship managers**
- Freight forwarders**

What was being looked for by the examiner.

This was a very popular question for many students, some doing extremely well. Part a required students to discuss the variety of tasks the ship managers may undertake. These may include

technical, operations, commercial, administration and crewing. Part b would require students to discuss that freight forwarder are companies who receives and ships goods on behalf of other companies. Importantly, the freight forwarder chooses whether to ship a consignment by road, by rail, or by sea and covers the necessary paperwork for both export and import if needed.