

# INSTITUTE OF CHARTERED SHIPBROKERS

## APRIL 2008 EXAMINATIONS

MONDAY 28 APRIL – AFTERNOON

### PORT AGENCY

**Time allowed – Three hours**

**Answer any FIVE questions – All questions carry equal marks**

1. Compile a detailed time sheet and calculate demurrage or despatch due from the information within the Statement of facts.

MV “Marko”

Arrived Leith Roads 0600 Hours Monday 1<sup>st</sup> April  
NOR Tendered 0900 Hours Monday 1<sup>st</sup> April  
Loading Commenced 0700 Hours Tuesday 2<sup>nd</sup> April  
Loading Completed 2100 Hours Friday 5<sup>th</sup> April  
Vessel Sailed 2243 Hours Tuesday 9<sup>th</sup> April

Cargo Loaded 20,000 M/Tonnes Grain

C/P States :-

“Laytime to commence at 1300 Hours if notice is given before Noon, at 0700 Hours next working day if given after noon: Notice to be given in ordinary working hours”

“Cargo to be loaded at the rate of 5000 metric tonnes per weather working day of 24 consecutive hours.”

Time from 1700 Friday or the day preceding a holiday to 0800 Hours Monday or next working day not to count unless used, but half of actual time used to count, unless vessel already on demurrage.

Demurrage rate USD 5000 Per Day and Pro Rata/Despatch at half demurrage rate on laytime saved.

On Wednesday 3<sup>rd</sup> April loading was stopped due to rain from 0800-1000 Hours

On Friday 5<sup>th</sup> April loading was stopped due to rain from 1800-1900 Hours.

The vessel was unable to sail until 2243 Hours on Tuesday 9<sup>th</sup> April due to engine problems.

2. You are owner's appointed agent for a tanker calling at an offshore terminal to discharge a cargo of fuel oil. You have requested the pro-forma costs of \$ 150,000. During the port call Port State Control have visited the vessel and have detained the vessel due to several defects. Local engineers have quoted a further sum of \$ 70,000 to repair the defects. Charterers and Terminal representatives are asking you to arrange the vessel's moving from the terminal, as other vessels are stemmed to arrive. The owners have still not responded to your request for Pro-forma funds, and additional funding for repairs.

Discuss your actions.

3. You are the Time charterer's appointed agent for a vessel discharging cargo in your port. The vessel on Time Charter from the head owners, made the port call whilst performing a single voyage charter. Create disbursement accounts and provide appropriate examples of costs for the various parties involved, and provide comments as to why you have allocated costs to the specific parties involved.
4. Clearly distinguish the differing requirements for the procurement of P&I club services from the point of view of a Shipowner and Ship's agent.
5. Discuss with examples the relationship the Port agent will have with the following parties:
  - Draft Surveyor
  - Classification Surveyor
  - Loss adjuster
  - Port state control
6. You are owner's agent at a tidal port. One of your staff has given incorrect draft information. The vessel concerned has arrived on Neap tides and cannot berth until the next Spring tides. The owners have tendered NOR, and have advised that they will hold you responsible for any consequences arising from the error.
  - a) Explain neap/spring tides and issues at tidal ports.
  - b) How would you deal with the owners in this situation.
  - c) How would you deal with the situation internally.
  - d) How would you prevent a recurrence of this situation.
7. With the aid of sketches supply details of TWO of the ship types described below. Give detailed dimensions of the vessels and suggest specific load and discharge ports appropriate to voyages, which such vessels would undertake in commercial conditions.
  - Geared Handy Sized Bulk Carrier.
  - LPG Carrier
  - Laker

8. A steel major has contacted your company requesting a formal quotation for steel cargoes to be discharged and stored in your port. Produce a formal tender focusing not just on port agency coverage, but the full range of added value services which this business opportunity could create.

# **THE INSTITUTE OF CHARTERED SHIPBROKERS**

## **PORT AGENCY EXAMINATION**

**2008**

### **EXAMINER'S REPORT**

#### **QUESTION 1 - LAYTIME**

This question was handled on the whole very well by the candidates. The question was deliberately challenging as it critically assessed the candidates understanding of the Friday clause.

A large number of candidates achieved the correct answer. Some made a good attempt at the answer but the outcome was not quite correct due to minor arithmetical errors; these candidates were awarded marks on the method and only lost a small proportion of the marks for mathematics

#### **QUESTION 2 – FUNDING**

Another multi- part question of an operational nature which, once again, saw a number of candidates reverting to a selective process of answering the areas with which they were most comfortable and ignoring the rest. Very few candidates grasped the various issues that this question involved. It was disappointingly handled on the whole.

#### **QUESTION 3 – DISBURSEMENTS**

This question was newly introduced into the examination this year, and with good reason, as previous examinations had largely overlooked the important aspect of vessel disbursement process and control. Sadly, most candidates tended to avoid the question.

As the question was multi faceted, once again this produced a noticeable lowering of marks and standards, and it is concerning where any questions requests candidates to consider two or more scenarios, it tends to lead to disappointing returns.

Generally the candidates tended to select the aspect of the answer which they were most comfortable with, and ignored other parts Therefore, when examiners were looking for cost to be differentiated and applied to three cost centres, generally only one was selected, occasionally two, but rarely all three. Thus creating a generally low mark for this question.

#### **QUESTION 4 – P & I CLUBS**

A reasonably well answered question, however what is of concern is the limited amount of knowledge that candidates display on the subject of exactly why ships agents require P and I coverage.

The question to a degree was simplified this year, as the examiners sought candidates to differentiate the owners and agents needs. In previous years where the question had been set in a different form, many candidates displayed a worryingly limited amount of knowledge on agency requirements for P & I requirements, and a large percentage thought the agent required such insurance for collisions, and displayed confusion between owners' and agents' needs.

Most answers were prefaced with a good historical review of the development of P and I clubs, which set the tone well for the main body of the answer.

#### **QUESTION 5 – SHIPPING RELATIONSHIPS**

A “banker” question which by and large was well answered, although disappointingly a number of candidates seems to struggle with the concept of the role of a draft surveyor.

#### **QUESTION 6 – TIDAL PORTS**

Candidates again struggled with a multi part question.

An aspect of this question required the candidate to provide some insight into a ships agency organisation, and how the managers of such an organisation would deal with the staff training to ensure they are suitably qualified. Candidates who are perhaps new to the business had trouble with the ‘managerial’ aspect of the question and several candidates tended to struggle with this aspect of the question. Generally, however, with the operational aspect of the question candidates displayed a good standard of knowledge on the issues relating to tidal ports.

#### **QUESTION 7 - VESSEL DIAGRAMS**

Most candidates had a reasonable knowledge of the vessel types and could display the rudimentary vessel sketches requested. This question was to a degree a “banker” for practising port agents as, by being “hands on”, the port agent should have a good understanding of various vessel types.

However what was handled poorly was the candidates’ inability to select suitable cargoes and trade routes for the vessels in question. Often this aspect was completely overlooked, or alternatively candidates would state banal facts such as LPG would be loaded “In the Middle East”. A need for the 2009 examination to test the candidate’s specific knowledge on commercial and geographical issues further in terms of this question.

## **QUESTION 8 – TENDERING FOR BUSINESS**

A reasonably well-answered question, the better answers gave a good insight into the added value services that could be applied.

It was a matter of concern that a number of candidates again struggled with a multi part question. Some chose not to align the question to the requirements of the steel trade, which was disappointing.