ICS Examiner’s Report April 2015

SHIPPING LAW

General comment

There were a couple of students who scored above 70%, with others students scoring between 60 and 70%. Question 4 was the most popular question this year, with over 30 students attempting to answer it. Question 7 was the second most popular with over 25 students attempting to answer this question. The least popular question was question 5 with a few students attempting to answer it. Overall, the standard of scripts this year was above average demonstrating a better understanding of the legal principles taken up for discussion.

Question One

The candidates were expected to be familiar with the common law obligation to nominate a safe port under a charterparty contract. The candidates were to carry out a detailed discussion on the common law obligation to nominate a safe port, and how the courts in England have interpreted this. Those who fared above average had presented a good answer, using case laws in their discussions to demonstrate a good understanding of the law. The performance of the candidates on this question could be summarised as being above average.

Question Two

The candidates were expected to be familiar with safe port warranty in charterparty contacts and the use of lien and cesser clause. Candidates were expected to carry out a detailed discussion on a) ‘safe port warranty’ and how when it is implied into a voyage charterparty contract and b) ‘lien and cesser clause’ found in charterparty contracts. The overall performance of the candidates could be summarised as being satisfactory.

Question Three

Candidates were expected to be familiar with both a) relevance of the element of danger for the assessment of a salvage claim, and b) single ship companies and their advantages/disadvantage in a shipping business. Candidates were to carry out a detailed discussion on (a) the key element of danger in salvage laws and when it is no longer sufficient, and (b) the practice of “single/one ship” companies in shipping business and discuss the merits and demands of the practice to the industry. Students were to demonstrate a clear understanding of both a) and b). The performance of the candidates on this question could be summarised as being satisfactory.

Question Four

Here, candidates were expected to be familiar with the concept of ‘arrived ship’ in relation to port and berth charterparties under voyage charterparty contracts. The candidates were to present a detailed discussion of the legal principles relating to an arrived ship in relation to port and berth charterparties, to include i) the concept of an arrived ship, ii) the circumstances under which damages for detention may be claimed by the owners, and iii) how this differs from the demurrage regime. The performance of the candidates on this question could be summarised as being very satisfactory.
Question Five

The candidates were expected to be familiar with *The Rotterdam Rules*. Candidates were expected to carry out a detailed discussion on the Rotterdam Rules and what it seeks to achieve and some of the problems found in the existing carriage regimes (The Hague, Hague-Visby and Hamburg Rules). The discussion should also include whether, in the candidate’s view, the new Rules will be suited for modern day shipping. The performance of the candidates on this question could be summarised as being satisfactory. Although topical, it was the least popular question.

Question Six

Candidates were expected to be familiar with the work of the IMO as the key producer of some of the most important international conventions relating to shipping. They were also to carry out a detailed discussion on IMO’s work, and its contribution to the shipping industry, as a key producer of international conventions for over 65 years, and its on-going work in updating Safety of Life at Sea Convention (SOLAS), its continuing work in dealing with the problem of maritime pollution, etc. The performance of the candidates on this question could be summarised as being satisfactory.

Question Seven

Candidates were expected to be familiar with the payment of hire and anti-technicality clauses in time charterparty contracts. The candidates were expected to provide a detailed discussion on a. Late payment of hire and its consequences, and b. the reasons a time charterer may want to include an anti-technicality clause into the contract, to demonstrate a clear understanding of the payment obligations under time charterparty contracts, and the reasons why parties may want to have an anti-technicality clause in their contracts. The overall performance of the candidates could be summarised as being satisfactory.

Question Eight

The candidates were expected to carry out a preliminary discussion on the Salvage Convention 1989 and Articles 13 & 14 of the Convention and were also expected to be fully familiar with the other provisions of the Convention. The candidates were to carry out a detailed discussion on the salvor’s entitlement to reward under Art 14 and the level of remuneration in comparison to a reward under Art. 13, and the discussion was to focus on how the 1989 Salvage Convention was pro-salvor, encouraging salvors to engage in saving or minimising the damage done to the environment and seek an up-lift on their salvage remuneration. The performance of the candidates could be summarised as being satisfactory.