PORT AGENCY (PA) 2002

Overall Comments.

Generally a good year although it still gives cause for concern that some candidates have difficulty coming to grips with laytime. This is such a fundamental area of a Port Agent’s life that lecturers and students should pay more attention to this aspect of the course.

Question 1 – Timesheet preparation.

Generally this question was well answered by most students. The majority of candidates utilised the recognised format, and tended to show a separate sheet for calculations.

Many students made a small error by discounting the one-hour of laytime utilised on the Monday; thus the actual figure given was one hour awry from the correct answer. Generally such students were treated fairly and given a reasonable mark for the attempted answer.

A small number of students obtained the correct mark having fully utilised the expected format; such students achieved high, even maximum marks.

Unfortunately, a small number of students showed very limited knowledge of laytime, and deferred from offering an end calculation. This is of concern, as the modern ships agent requires to supply additional services to the prospective owner/principal, laytime calculations being one of them.

Question 2 – Definitions.

MLWN - Mean Low Water Neaps – Well answered, most students showed good knowledge of the subject and the top answers were able to draw on examples of tidal ports where this factor would be important in the daily decision making process of the ships agent.

HWOST - High Water on Ordinary Spring Tides – Well answered, most students could display relevant examples of ports where this was a factor.

MOLCO - More or Less Charterers Option – A virtual “banker” for most students. Good knowledge was shown on this chartering term. The better answers highlighted its role in chartering negotiations and would offer a relevant quotation from a voyage charter party showing the use of MOLCO. A few students displayed commercial acumen by discussing relevant commercial situations which dictated why the charterer may insist in this clause within a voyage charter party.
Sous Palan - A large number of students who chose to answer his question showed an excellent understanding of the term.

WIFPON - Whether in Free Practique or Not. Very well answered in most cases. Most students showed a good understanding of this term, and discussed its relevance in terms of the importance of the term in connection with commencement of laytime.

Question 3— Tendering for an agency

This question was poorly answered by the majority of the students. The main reasons for a poor mark were:

(a) Many students completely ignored the request that they were expected to “produce a formal tender”. Many students simply forgot, or chose to ignore this aspect of the question.

(b) Incorrectly aligned answer. Many candidates chose this as a suitable vehicle to advise the examiner of their knowledge of the range of ships husbandry services which a ships agent can provide, the answers which achieved pass mark standards were clearly aligned to the requirements of the principal.

(c) The question requested the student to supply added value services to the principal. Many students chose to ignore this aspect completely.

Question 4— Missing Bills of Lading

A poorly answered question. It was of concern that when faced with a question, which required the student to offer an answer on more than one issue the quality of answer reduced markedly.

Although a significant number of students received pass marks for this question, there was an overflow of information on the use of bills of lading in international trade.

The students who achieved a higher mark focused on the need to provide not just Letters of Indemnity, but irrevocable ones, with some financial limitation, several of the better answers utilised the often quoted figure of 150% of the C.I.F. cost of the goods.

Few students chose to enter into the morass of the relationship which the agent in question has with the port authority. Always a polemic one, the strong ships agent should recognise that there is a need for a workable relationship with the local stevedore, many students unfortunately ignored this important point.

Question 5- Agency added value

This was a question well answered by most students who chose to attempt it. Although a fairly modern concept, most students displayed a solid grasp of the subject. Indeed,
several of the better efforts even ventured into the world of marketing by developing comparative advantages over their business competitors.

Several good, solid and practical ideas were offered by the students. Generally these included: stevedoring, warehousing, freight forwarding etc.

Many students showed a distinct relish for this type of question.

Again the weaker students chose to list the general agency duties which the agent should be undertaking in the normal day to day activities of his agency.

Question 6—Agent’s P & I cover

This question produced two quite different sets of answers.

Answer number one: The Student showed a good knowledge of the position of the Maritime intermediary, and displayed sound knowledge of the vulnerable positions of risk which the agent required coverage on, such as: agent of necessity, acts errors and omissions, breach of warranty of authority etc. and rightly achieved pass marks.

Answer number two: The Student unfortunately read the question incorrectly, and chose to discuss the need why the shipowner not the agent, requires P+I coverage, and continued to discuss collision and war risk insurance in some depth. Such candidates received very poor marks accordingly.

Question 7—Ship sketches

The “Old chestnut.” Handy Sized Geared Bulkcarner/ULCC

Perhaps this type of question has been appearing too often in examinations of recent years and after this years outing deserves some time in pasture. Most competently answered in a large percentage of cases. Quality of sketches varied from excellent to childlike.

Question 8—Money matters.

A well answered question by most students, many of whom showed a surprisingly adept knowledge of basic accountancy functions. Some very good suggestions outwith the normal response of advanced disbursements was given by a number of students.

Conclusion

Most papers this year were a pleasure to mark but the exceptions were those clearly unprepared plus candidates who failed to read the question before rushing into writing. Candidates should expect having to prepare sketches and rulers are permitted in the examination room.