THURSDAY 18th APRIL 2013 – MORNING

SHIPPING BUSINESS

Time Allowed – Three Hours
Answer any FIVE questions – all questions carry equal marks
Please read the questions carefully before answering

1. A number of busy shipping areas and ports are affected to some extent by ice in winter. On the world map provided illustrate the areas and main ports affected. Explain the problems that ice causes and how shipowners and importers/exporters attempt to overcome these difficulties.

2. Identify the most common areas of maritime fraud and consider what can be done to prevent, detect or deter both fraud and other types of criminal activity directed against the ship and its cargo.

3. Identify the reasons for the formation of the IMO and describe its composition, functions and achievements.

4. Discuss the role and functions of three of the following organisations:
   (a) International Chamber of Shipping
   (b) International Chamber of Commerce
   (c) IMB
   (d) FONASBA
   (e) ITF

5. Explain the different payment methods available to those engaged in international trade and discuss the risks involved to the buyer and seller in using each method.

6. The term shipbroker encompasses a wide variety of activities. Taking two of the following, explain the main business functions for those in these sectors and in each case comment upon the practitioner / principal relationship:
   (a) Port Agency
   (b) Liner Agency
   (c) Ship Operations and Management
   (d) Ship Sale and Purchase
   (e) Dry Cargo Chartering
   (f) Tanker Chartering

7. Discuss the benefits and drawbacks of Limited Companies (Private or Public) compared with Partnerships and comment on the advantages and disadvantages of trading with each type of business organisation.

8. Explain the principle and operation of General Average in relation to international shipping.