

INTRODUCTION TO SHIPPING – Group One Syllabus

COMMERCIAL GEOGRAPHY

Continents; geographical regions e.g. Far East, Mediterranean, S.E. Asia; Location of major countries and ports. All the continents, the major centers of which they are comprised and the manner in which they are grouped in geographical regions.

The location of major ports, canals and waterways. Oceans of the World and the seas of which they are comprised. The effects of tides, currents, climate and weather.

An awareness of different map projections; latitude and longitude.

INTERNATIONAL TRADE

Understand the role of different markets which comprise the global market. Be aware of the difference between absolute and comparative advantage. Understand the role of shipping as arising from derived demand.

CARGOES AND TRADE ROUTES

Thoroughly understand the different roles of liners and tramps. In liners understand the main unitized systems and break bulk operations. Be aware of major liner routes.

Understand the major dry bulk trades and the origins and distribution of principal cargoes.

The oil and other liquid trades; understand the origin and distribution of principal cargoes distinguishing between crude oil and products. Be aware of the categorization of cargoes into clean, dirty, chemicals, gas, vegetable oils and juices.

SHIP TYPES

Thoroughly understand the basic characteristics of bulk carriers etc and the type trades in which they are used.

Understand the main sizes of vessel in each class. Expect to illustrate any answers with simple sketches.

CONTRACTS OF CARRIAGE

Thoroughly understand the basic contracts; Charter Parties for tramp and tankers;

Bills of Lading for liners.

Be aware of the role of the Bill of Lading under a Charter Party.

Understand the difference between Voyage and Time Charter Parties and the basic elements of each.

Understand the three functions of the Bill of Lading and its role in international trade.

Understand the main specialist abbreviations, terms and expressions used in Charter Parties and Bills of Lading.

LAW OF CARRIAGE

Understand the duty of care and the nature of tortuous acts outside of contracts.

Be aware of the way in which international conventions are established and the major conventions relative to shipping.

Understand the basic application of Hague/Hague-Visby/Hamburg rules, their requirement for seaworthiness and the limitation of carrier liability. Be aware of the differences between these rules.

Understand the legal effect of the Bill of Lading as a document of title and the implication of its role in the delivery of goods.

Be aware of the role of marine insurance and P & I Associations.

SHIP REGISTRATION AND CLASSIFICATION

Thoroughly understand the concept of ship registration and its flag state.

Understand the differences between registering in the country of beneficial ownership, offshore registry and flag of convenience.

Be aware of Port State Control. Understand the need for classification and the role of classification societies.

THE PRACTITIONERS IN SHIPPING BUSINESS

Thoroughly understand the difference between principals and intermediaries.

Understand the role and function:-

Principals – shipowners, charterers, shippers and NVOCs (non vessel operating carriers)

Intermediaries - Brokers in dry cargo chartering, tanker chartering, ship sale and purchase

Port agents and liner agents and the differences between them.

Ship managers and freight forwarders.

Be aware that all classes of intermediaries may be independent businesses or in-house departments of the principal.

BASIC ACCOUNTING

Understand the fundamentals of bookkeeping & corporate accounts.

Thoroughly understand the definitions and functions of Revenue, Cost, Profit, Capital,

Cash-flow, Interest.

Thoroughly understand the importance of maintaining positive cash flow.

Be aware of the structure of various different types of business entity and understand the concept of limited liability.