



ICS Examiner's Report

PORT AGENCY 2012

Overall Comments Guidelines

Generally the performance of students undertaking the Port Agency exam was improved on previous years. The general standard was higher, as was the depth and quality of answers. The laytime question caused a few problems and the exam this year did not have a question on ship types/geography. This was replaced by a question on Notice of Readiness, which although within the syllabus tended to be avoided by the students, as did another relatively new type of question on conflicts of interest.

A good standard was demonstrated by the students this year; the answers tended to have greater depth than previous years, with good use on analysis and relevant examples being used.

Question Guidelines

The questions were selected from within the syllabus for the subject and sought to challenge the students' knowledge on a number of diverse topics within the scope of ships agency such as: laytime, disbursements, operational situations, vessels certification and insurance for the port agent.

Question One

Conflict of interests: a relatively new question introduced for the first time this year. Students did tend to avoid this question, but those who chose to tackle it, tended to do well. The crucial aspect was to discuss the issue of conflicts of interest in business and then discuss the choice that the agent has to make, which is to a degree a mixture of risk, reward and loyalty.

The students who achieved the highest marks gave some good in depth analysis of specifically how they would deal with the developing situation in which they found themselves. Additional marks were gained by the students who sought to discuss the situation with the Principal and reason with them that each client's business was treated confidentially. Some students then suggested separate key account managers for each client and separate financial transactions to apply which was an excellent and proactive way to problem solve.

Question Two

Stowaways: A new type of operational question which was set for the first time in the 2012 exam. This was generally well handled by the students, who tended to show a proactive response to the ship-owner but also a human touch to the problem at hand and offered sensible suggestions such as Port Chaplains and Mission to Seafarers who may aid the plight of the stowaways. The students who achieved the highest marks developed awareness that the owners could incur significant costs, and tried to communicate with the Principals and manage the situation.

Question Three

Disbursements: This question topic has now appeared over the last three years in the port agency exam. The majority of students tackled this question very well. Most students had a clear understanding of which party should meet each port cost. The students who achieved the highest marks for this question applied this knowledge whilst taking the due time and care to create neat disbursements accounts to each of the main parties involved.

Question Four

Port agency marketing /added value services: there were a mixture of answers to this question. A number of students tended to write a list of general husbandry agency services, which was not required. The students who achieved the highest marks on this question focussed specifically on the trade in question – timber - and discussed the service levels of the port agent and then aligned this to added value services, specific to the trade in question.

Examples of added value services include warehousing, customs clearance and road haulage.

Question Five

Ships' certificates: this was a popular question for students and the standards were very high. The vast majority of students displayed a good knowledge of the various ships' certificates that they would expect to find. Some students unfortunately failed to read the question properly and discussed more general duties of the agent such as processing Bills of Lading and manifests, which was not really required.

Question Six

Laytime: the laytime statement caused some problems to the students this year. The specific issue was the commencement of laytime and the shoreside stoppage.

The students used a standardised laytime calculation sheet, which enabled the examiners to understand where they went wrong and then allocate marks accordingly. Students who failed to utilise a laytime calculation sheet scored low marks for this question.

Question Seven

P & I Coverage: A question that has been used over the past few years on a semi-frequent basis. I found this year that students answered this question better than in the past. I found most students could discuss the needs for ships' agents to have some form of insurance cover. The students who achieved the highest marks could discuss 'Breach of warranty of authority with and without negligence', 'Acts, errors and omissions', 'Principal debt chasing' and 'Theft of cash advances to vessels' as the prime reasons why the port agent requires cover.

Unfortunately there are still a number of students who fail to understand the concept and believe the question only refers to the owner's requirement for collision coverage.

Question Eight

A relatively new type of question introduced for the first time in 2012, which focussed on the tendering on Notice of Readiness.

A number of students chose not to attempt this question. Those who did handled it well and those who achieved high marks managed to draw a differentiation between port and berth charter parties and displayed a basic knowledge of the concept of the 'arrived ship'.