



## ICS Examiner's Report

### SHIPPING BUSINESS 2012

#### **Overall Comments**

It is pleasing to report that the general standard of questions answered has improved slightly compared to recent years which proves that most candidates are taking time to study throughout the academic year and, most importantly, are leaving time for revision prior to the examination.

For those students who failed this year, in many cases it seems they may not have adequately prepared.

#### **Question Guidelines**

As usual, it is important to emphasise the need for candidates to take time to read each question carefully, fully understand what the question is seeking and to convey enough knowledge on the subject matter to the examiner.

It is observed year after year that some candidates attempt six, or more, questions wasting valuable time under examination circumstances which often results in a general lack of answer quality. The examiner, when faced with such a scenario, will only assess and mark the first five questions.

#### **Question One**

This question was attempted by a large majority of candidates, however many students became side-tracked discussing Incoterms 2000 or 2010 and then forgot, or run out of time to compare the differences between the two.

When discussing the main changes, most candidates recognised the fact that the terms were reduced to 11 and the introduction of DAT and DAP, although the general quality of the explanation of the terms was quite poor and lacked detailed knowledge.

### **Question Two**

It is pleasing to report that, as requested, most students used the world map to illustrate their answer, although quite a few of the maps lacked annotations.

Some candidates attempting this question were very competent in their ability in identifying the main trade routes, but failed to answer the second part of the question resulting in a loss of marks.

### **Question Three**

This question was designed to examine industry knowledge and it was evident that many candidates drew from their experience and were able to convey a good understanding of the tanker market and its sub-divisions.

There were some excellent answers describing the difference between the two sectors, discussing the charterparty terms, cargo characteristics, broking processes etc.

Those candidates who did not achieve a pass mark were those who failed to address the second part of the question.

### **Question Four**

There were very few high marking answers to this question, although it was one of the most popular attempted.

Many answers contained only a few paragraphs on the chosen organisation and for those attempting to describe the role and function of both INTERTANKO and INTERCARGO, the knowledge base was insufficient.

### **Question Five**

This question was, in general terms, answered quite well with many candidates recognising investment in infrastructure, labour costs and availability of skilled labour along with other aspects such as political and economic influences.

A few students appeared to misunderstand the question and analysed the trade rather than the port and a few failed to address the issues surrounding future development and growth.

### **Question Six**

A few candidates attempting this question provided excellent answers and were able to differentiate between a liner agent and a general port agent.

Whilst the majority of students were able to describe the full range of services required, many could not convey to the examiner sufficient knowledge relevant to the contract or its terms which resulted in a loss of marks.

### **Question Seven**

Candidates who attempted this question were able to provide some good answers with many presenting some excellent ideas on enforcement.

For some, there was confusion between ethical and fraudulent practice and most that were unable to distinguish the difference between these terms also failed to describe examples of ways to promote ethical behaviour.

### **Question Eight**

This question was answered by most candidates, but the pass rate among the students was generally low.

Usually, students were able to demonstrate good knowledge in the first part of the question relating to the functions of the Bill of Lading, but all too often the second part was not adequately covered with most candidates demonstrating a limited knowledge of the 'to order' Bill of Lading and its importance when conducting letters of credit transactions.