



NATIONAL SENIOR CERTIFICATE EXAMINATION
NOVEMBER 2010

MARITIME ECONOMICS

MARKING GUIDELINES

Time: 3 hours

300 marks

These marking guidelines were used as the basis for the official IEB marking session. They were prepared for use by examiners and sub-examiners, all of whom were required to attend a rigorous standardisation meeting to ensure that the guidelines were consistently and fairly interpreted and applied in the marking of candidates' scripts.

At standardisation meetings, decisions are taken regarding the allocation of marks in the interests of fairness to all candidates in the context of an entirely summative assessment.

The IEB will not enter into any discussions or correspondence about any marking guidelines. It is acknowledged that there may be different views about some matters of emphasis or detail in the guidelines, and different interpretations of the application thereof. Hence, the specific mark allocations have been omitted.

QUESTION 1 THE MARITIME WORLD

- 1.1 Pollution/Not as efficient as modern engines (2 × 2 = 4)
- 1.2 Internal combustion engine (2)
- 1.3 1.3.1 To combat global warming (or any other plausible reason) (2)
- 1.3.2 Wind/installing scrubbers (or any other plausible reason) (4)
- 1.4 1.4.1 2007 (2)
- 1.4.2 Tanker of about 150 000 deadweight or above (2)
- 1.4.3 Suezmax (2)
- 1.4.4 Can carry the cargo and pass through Suez (2)
- 1.4.5 Panama Canal (2)
- 1.4.6 None (2)
- 1.4.7 Autumn in Northern Hemisphere/preparing for cold winter/much electricity to be generated/oil and coal needed for power generation and heating (4 × 2 = 8)
- 1.5 1.5.1 A charter has been agreed to in writing by owner and charterer (4)
- 1.5.2 NO/all rates are described as 'steady' or 'firm' or 'climbed' (8)
- 1.5.3 Crack spreads moving higher/OPEC sailings increasing/tanker spot volumes increasing (3 × 2 = 6)
- 1.5.4 3 (2)
- 1.5.5 Upwards (2)
- 1.5.6 They bought 3 VLCCs (2)
- 1.6 Determines the level of training and certification of watchkeepers (2 × 2 = 4)
- [60]**

QUESTION 2 SHIPPING OPERATIONS

- 2.1 No (2)
- 2.2 Owned and flagged in Bahamas (2)
- 2.3 Approves plans for ship/ensures construction is according to specifications/ensures vessel meets specifications before delivery to owner/does period surveys to ensure she is seaworthy/approves any modifications/must declare her seaworthy before she can return to service after an accident (5 × 2 = 10)
- 2.4 2.4.1 SAMSA (2)
- 2.4.2 Checks seaworthiness/checks qualifications and competence of crew/checks adherence to MARPOL/any other plausible reason (ANY TWO) (2 × 2 = 4)
- 2.5 Bahamas (2)
- 2.6 Register the ship/checks construction is in compliance with IMO specifications/checks seaworthiness/checks qualifications and competence of crew/checks adherence to MARPOL/any other plausible role (ANY TWO) (2 × 2 = 4)
- 2.7 2.7.1 Reefer containers loaded in Cape Town for Durban (2)
- 2.7.2 Fruit juice/wine (or liquor)/fish oil (ANY TWO) (4)
- 2.7.3 Car parts/tyres/any other plausible car-related product (ANY TWO) (4)
- 2.7.4 Any out-of-gauge item (2)
- 2.7.5 (a) $413 + 295 = \frac{708}{16 \times 2} = \frac{708}{32} = 22.125 = 23 \text{ hrs} + 2 = \mathbf{25 \text{ hrs}}$ (4)
- (b) 08:00 on 4/12 + (25 + 1 hrs) = 10:00 on 5/12 (4)
- 2.7.6 $585 + 1\,907 + 928 = 3\,360$ (4)
- 2.7.7 NO (2)
- 2.7.8 Capacity = 4 800 TEU Cargo ex CT = 3 360 Therefore not at capacity (4)
- 2.7.9 Reefer containers on board = 655 Number to load at Las Palmas = 45 Therefore can accommodate Las Palmas cargo (6)

- 2.7.10 On deck up forward (2)
- 2.7.11 FOB – Shipper pays up to the point where cargo is on the ship
 Consignee pays from that point
 EXW – Shipper does not pay anything
 Consignee pays from factory (6)
- 2.8 2.8.1 $13 \text{ days} \times \$34\,000 = \$442\,000$ (4)
- 2.8.2 HVF $12 \times 83 \times \$290 = \$288\,840$
 MDO $13 \times 03 \times \$396 = \$15\,444$
 Total = \$304 284 (4)
- 2.8.3 Charter rate = $\$34\,000 \times 11 = \$374\,000$
 HVF = $10 \times 132 \times \$290 = \$382\,800$
 MDO = $11 \times 03 \times \$396 = \$13\,068$
 TOTAL = **\$769 868**
 Total for usual voyage = \$746 284 Accelerated voyage costs **more.** (6)
- 2.8.4 Neither will be payable (2)
- 2.8.5 Wind delay is neither the ship's fault nor the charterer's fault (2)
- 2.9 2.9.1 Fixed and Floating Objects (Accept FFO) (2)
- 2.9.2 Hull and Machinery (2)
- 2.9.3 Classification Society/Flag State (2 × 2 = 4)
- 2.9.4 REPORT – give marks for clarity of reporting and the factual content (12)
- 2.10 Container is loaded with fruit at Ceres/bill of lading issued by carrier/container is closed and sealed/taken to Cape Town container terminal/placed in the reefer stack/plugged into shoreside electrical system/loaded aboard ship/plugged into ship's electrical system/after arrival in UK, container is discharged/in import stack/customs clearance (freight receipt, bill of lading required; proof of other charges having been paid)/CTO issued/taken to warehouse of Super Supermarket
 At each change point, container is checked, and entered into computer system. (12)
- [120]**

QUESTION 3 INTERNATIONAL TRADE

- 3.1 3.1.1 Local clothing industry is affected by cheaper imports/Cannot compete/Job losses (6)
- 3.1.2 Impose import duty/subsidise local industry (4)
- 3.2 Cape Agulhas/Straits of Dover (or English Channel) (4)
- 3.3 3.3.1 MESSAGE – Give marks for a satisfactory format, the ship's ETA Cape Town (8 November); reasonable bunker requirements (at least 810 tons HVF; at least 36 tons MDO); any other requirements (e.g. stores)
 Confirmation of 2/E Singh signing off.
 $28/10 + 12 \text{ days} = 8 \text{ November}$
 Fuel HVF $45\text{t} \times 18 = \text{Minimum order } 810$
 MDO $02\text{t} \times 18 = \text{Minimum order } 36 \text{ tons}$ (18)
- 3.3.2 ETA Rotterdam = 9 November + 12 days = 21 November (4)
- 3.3.3 (a) Port Congestion/Extra revenue (4)
- (b) No effect (no extra cargo as the ships are transit vessels) (2)
- (c) Extra revenue (2)
- (d) Extra revenue (2)
- (e) Pilots may not earn money while canal is closed (2)
- 3.3.4 (a) She may be delayed as port congestion increases (2)
- (b) She will pay port dues (2)

	3.3.5	(a)	One		(2)
		(b)	Jones	Formosa Star/Penelope	
			Mthethwa	Formosa Star/Penelope	
			Tendulship	Pluto/Indian Mariner/Blue Horizon	
			Petersen	Mars/Mandarin/Saturn	
			Any other possible combination is also acceptable		(12)
		(c)	NO		(2)
3.4	3.4.1	Straits of Gibraltar			(2)
	3.4.2	Malacca Straits			(2)
	3.4.3	Panama Canal			(2)
	3.4.4	Straits of Hormuz			(2)
3.5	3.5.1	IMO			(2)
	3.5.2	United Nations			(2)
	3.5.3	Provide security framework for ships and ports to prevent terrorist attacks using ships or aimed at harbours			(6)
3.6	3.6.1	MARPOL			(2)
	3.6.2	SOLAS			(2)
[90]					

QUESTION 4 MARINE ENVIRONMENTAL CHALLENGES

4.1	Award marks for a good argument (i.e. substance and expression) for or against the tactics used by the Sea Shepherd organisation.				(14)
4.2	4.2.1	Mid-latitude cyclone (or Depression)			(2)
	4.2.2	Heavy Seas/head wind/rough conditions for the ship/may slow her down			(4 × 2 = 8)
	4.2.3	Strong wind = container operations may be affected			
		Heavy seas = may prevent pilots from boarding ships			
		Rain = weather-sensitive cargo cannot be handled			(3 × 2 = 6)
					[30]

Total: 300 marks