



APPLIES TO ACADEMIC YEAR 2015/2016

NSA 2521 Shipping Management

Programme

Elective, Exchange Program, Bachelor in Business Administration (BBA) (3. year)

Responsible for the course

Cathrine Bjune

Department

Department of Accounting - Auditing and Law

Term

According to study plan

ECTS Credits

7,5

Language of instruction

English

Introduction

This course offers a thorough introduction to the regulation, practice and economics of international shipping. It covers the different ships and deployment contracts used to make money on the vessels. The course covers the market for ships and cargoes, ships types and trades, and the drivers of the markets. The focal point is the operation of the ship. The students will learn the basics of chartering and different contracts used for ship deployment. The students will learn to find, use and interpret standard charter parties and contracts of affreightment. Through voyage calculations and practical case work the students will learn to analyze profits and losses when operating the ship in the market. Common concepts such as chartering, demurrage, lay can and options will be discussed. The course is aimed at students who are interested in shipping and or international trade, and who wish to specialize in the management of shipping companies, work in shipbroking firms, banks or with consultants, finance and insurance organizations that include shipping in their portfolios.

Learning outcome

Acquired knowledge

After completing the course students shall have:

- An understanding of the different shipping markets
- Understand the drivers of demand and supply of ships and cargoes
- An understanding of world trade and the effect on shipping
- An understanding of different charter parties and contracts of affreightment
- Basic chartering and voyage calculations
- Demurrage and despatch calculation
- The cost elements of shipping
- The division of costs and liabilities between charterer and owner
- Fleet positioning and fleet management

Acquired skills

After completed course students will be able to:

- Explain the relationship between demand and supply for shipping services,
- Discuss basic principles of rate making.
- Analyze the freight markets and mechanisms of freight setting
- Being able to interpret and use charter parties
- Understand and perform voyage calculations and demurrage calculations
- Reflect on the dynamics of shipping business cycles in an economic perspective.

Reflection

During the course students should develop recognition of shipping's role in society, shipping's role in the world economy and be able to reflect on shipping's responsibility to the environment.

Prerequisites

None

Compulsory reading

Books:

Falkanger, Thor, Hans Jacob Bull, Lasse Brautaset. 2011. Scandinavian maritime law : the Norwegian perspective. 3rd ed. Universitetsforlaget. Chapters 15,16,17
Stopford, Martin. 2009. Maritime economics. 3rd ed. Routledge. 4,6,11,13, 14,15,16

Book extract:

Gorton, Lars ... [et al.]. 2009. Shipbroking and chartering practice. 7th ed. Informa. Chapters 4, 11. Relevant chapters are provided for the students on Itslearning

Other:

Selected BIMCO standard documents on chartering. Documents will be made available to the students

Recommended reading**Books:**

Grammenos, Costas Th., ed. 2010. The Handbook of maritime economics and business. 2nd ed. Lloyd's List

Course outline

- Common contracts used for deployment of ships
- Short term and long term contracts commonly used in shipping
- Chartering of vessels and contracts used
- The legal aspect of chartering
- The costs elements in shipping
- The principal shipping markets, the demand for and supply of shipping services
- Shipping operations and trading routes
- Revenues and costs in shipping
- Understanding the dynamics of shipping business cycles
- Voyage calculation
- Case work and summary

Computer-based tools

Students are advised to make use of computer-based tools in the course, for instance spreadsheets. At the examination, however, computer-based tools are not allowed.

Learning process and workload

The course will include a combination of lectures and plenary tutorials where solutions to exercises will be explained.

There will be mandatory hand-in assignments. The assignments will be in the form of small cases selected from textbooks and trade articles. Please note that whilst attendance is not compulsory, it is the students responsibility to obtain any information provided in class that is not included on the course homepage/Its learning or text book.

The students will be given a case to be worked on in groups or individually. Case will be presented to lecturer for review.

The following is an indication of the time required:

Activity	Hours
Lectures	39
Case work and explanations in class	6
Preparation for lectures and plenary tutorials	105
Preparation for hand-in assignment	10
Preparation for the final exam	40
Total recommended use of time	200

Use of hours

39 hours - Lectures

6 hours - Plenary tutorials

45 hours total

Examination

A three hour individual written exam concludes the course.

Examination code(s)

NSA 25211 - Written exam - counts 100% to the grading of the course NSA 2521 Shipping Management, 7,5 credits.

Examination support materials

All support materials + BI approved exam calculator. Examination support materials at written examinations are explained under examination information in the student portal @bi. Please note use of calculator and dictionary in the section on support materials (https://at.bi.no/EN/Pages/Exa_Hjelpemidler-til-eksamen.aspx).

Re-sit examination

Re-take exam is offered at next scheduled course.

Additional information