
Global Certificate in Ship Brokerage

Maritime Law and Convention

Abbreviations in Maritime Law:

- * ABS: American Bureau of Shipping, a classification society responsible for ensuring ships' compliance with safety and construction standards.
- * BIMCO: Baltic and International Maritime Council, an organization that creates standardized contracts and clauses for the shipping industry.
- * FAL: Facilitation of International Maritime Traffic, an International Maritime Organization (IMO) convention aimed at streamlining administrative procedures for ships in international trade.
- * IMO: International Maritime Organization, a specialized agency of the United Nations responsible for regulating international shipping.
- * ISM: International Safety Management Code, an IMO code that sets minimum safety and environmental protection standards for ships.
- * ISPS: International Ship and Port Facility Security Code, an IMO code that sets security standards for ships and port facilities.
- * LOI: Letter of Indemnity, a contract used to transfer risk between parties in a maritime transaction.
- * MOA: Memorandum of Agreement, a contract used in shipbrokerage to outline the terms of a ship sale or purchase.
- * SOLAS: Safety of Life at Sea, an IMO convention that sets safety standards for ships.

Bills of Lading:

- * A Bill of Lading (B/L) is a contract of carriage between the shipper and the carrier. It serves as a receipt for the goods, evidence of the contract of carriage, and a document of title to the goods. There are two types of B/Ls: straight and negotiable.

Charterparties:

- * A Charterparty is a contract between a shipowner and a charterer that outlines the terms of the hire of a ship. There are two main types of charterparties: voyage and time.
- * A Voyage Charterparty is a contract for the hire of a ship for a single voyage. The charterer pays the shipowner a fixed sum for the transportation of goods from one port to another.
- * A Time Charterparty is a contract for the hire of a ship for a specified period. The charterer pays the shipowner a daily or monthly rate and is responsible for the ship's operating expenses during the charter period.

Classification Societies:

* A Classification Society is an organization that sets standards for the design, construction, and maintenance of ships. The society inspects ships and issues certificates indicating compliance with its standards.

Collisions:

* A Collision is the contact between two ships or a ship and a fixed object. Collisions can result in damage to the ships, injury to the crew, and environmental pollution.

Confidentiality:

* Confidentiality is the obligation of a shipbroker to keep certain information confidential, such as the terms of a ship sale or purchase or the identity of a client.

Demurrage:

* Demurrage is the charge levied against a charterer for delaying a ship beyond the time allowed in the charterparty.

Documents:

* Documents in shipbrokerage include B/Ls, charterparties, letters of credit, and insurance policies.

Environmental Protection:

* Environmental Protection is the responsibility of shipowners and charterers to minimize the impact of shipping on the environment. This includes complying with regulations such as MARPOL and using environmentally friendly fuels.

Flag State:

* A Flag State is the country in which a ship is registered. The flag state is responsible for enforcing international regulations and ensuring the safety and environmental protection of the ship.

Freight:

* Freight is the payment made to a shipowner for the transportation of goods.

Hague-Visby Rules:

* The Hague-Visby Rules are a set of rules that govern the liability of a shipowner for damage to cargo.

IMO Instruments:

* IMO Instruments are the various conventions, codes, and guidelines adopted by the International

Maritime Organization to regulate international shipping.

Insurance:

* Insurance in shipbrokerage includes hull and machinery insurance, protection and indemnity (P&I) insurance, and cargo insurance.

Letters of Credit:

* A Letter of Credit (L/C) is a financial instrument used in shipbrokerage to guarantee payment for goods.

Lien:

* A Lien is the right of a shipowner or charterer to retain possession of a ship or cargo until a debt is paid.

Liner Trade:

* The Liner Trade is the scheduled transportation of goods in containers or break-bulk cargo on a fixed route.

Lloyd's Register:

* Lloyd's Register is a classification society and maritime consultancy that sets standards for the design, construction, and maintenance of ships.

Marine Insurance:

* Marine Insurance is the insurance of ships, cargo, and other maritime risks.

Maritime Law:

* Maritime Law is the body of laws that governs shipping, navigation, and marine commerce.

Marpol:

* MARPOL is the International Convention for the Prevention of Pollution from Ships.

Negotiability:

* Negotiability is the ability of a B/L to be transferred from one party to another, allowing the new holder to take possession of the goods.

P&I Clubs:

* P&I Clubs are mutual insurance associations that provide protection and indemnity insurance for shipowners.

Port State Control:

* Port State Control is the inspection of foreign ships in national ports to ensure compliance with international regulations.

Registration:

* Registration is the process of recording the ownership and details of a ship with a flag state.

Safety:

* Safety is the responsibility of shipowners, charterers, and crew to ensure the safe operation of a ship.

Sale and Purchase:

* Sale and Purchase is the buying and selling of ships.

Ship Management:

* Ship Management is the operation and maintenance of a ship, including crewing, accounting, and technical management.

Shipping Act:

* The Shipping Act is a US law that regulates oceanborne commerce.

Shipping Markets:

* Shipping Markets are the markets for the transportation of goods by sea.

Tonnage:

* Tonnage is a measure of the size of a ship, expressed in gross tons (GT) or net tons (NT).

Tramp Trade:

* The Tramp Trade is the unscheduled transportation of goods in bulk on a chartered ship.

Voyage Estimate:

* A Voyage Estimate is a calculation of the costs and revenues of a ship's voyage.

Warranties:

* Warranties are promises made by the shipper or charterer in a B/L or charterparty.

This glossary provides an overview of key terms and concepts in Maritime Law and Convention in the course Global Certificate in Ship Brokerage. The terms listed here are essential for understanding the complex and dynamic field of shipbrokerage. Familiarity with these terms will enable learners to navigate the industry with confidence, communicate effectively with colleagues and clients, and make informed decisions. By mastering these terms, learners will be well-equipped to succeed in the challenging and rewarding world of shipbrokerage.