

Ship Chartering, Laytime & Demurrage Masterclass

INTRODUCTION

- Master the A to Z of Chartering Contracts, Laytime and Demurrage. The shipping adventure, sometimes called the carriage of goods by sea involves several stages from the loading voyage, with the vessel sailing in ballast to the loading port, the loading operation and then the carrying voyage until the unloading or discharging of the cargo. The shipowners and charterer roles and responsibilities in every stage and the inter-play between them and how it pans out during the course of a voyage will determine the success or failure of that voyage. It is important to understand contractual provisions in a charter party and negotiate the terms in order to avoid pitfalls in chartering of the ships and to provide for the calculating of laytime and demurrage which will invariably affect all the parties' bottom line.
- This 5-day Ship chartering, Laytime & Demurrage Masterclass workshop will give participants a comprehensive understanding of the essential aspects of chartering. This training course will enable participants to better negotiate charter parties, have insight to make strategic decisions on chartering and to be at an advantage when negotiating chartering contracts. The knowledge and expertise gained from this workshop will enable the participants to return to work with many new strategies to apply in practice.

PROGRAMME OBJECTIVES

Attendance on Ship Chartering, Laytime & Demurrage Masterclass training course helps participants to capitalize on the expert knowledge to gain maximum value on these vital issues:

- Attain a comprehensive and in-depth knowledge of ship charter contracts
- Recognise the differences between the many type of charter parties
- Understand the jargon and abbreviations
- Appreciate the rights and obligations of Charterers and Owners
- Avoiding pitfalls in negotiating chartering contracts
- Manage & Mitigate the risks involved in chartering of vessels

WHO SHOULD ATTEND?

- The Ship Chartering, Laytime & Demurrage Masterclass training course is highly recommended for new entrants to the shipping industry, staff in liner shipping companies, chartering and trading companies. It is particularly useful for staff involved in day to day shipping operations or administration such as:
- Contract Professionals / Negotiators
- Procurement Personnel
- Chartering Personnel
- Legal Advisors / Personnel
- Freight Forwarders
- Shipping Agents
- Marine Insurers
- Legal Advisors
- Finance

TRAINING METHODOLOGY

- The Ship Chartering, Laytime & Demurrage Masterclass training course will combine presentations with instructor-guided interactive discussions between participants relating to their individual workplace. Practical exercises, video material and case studies aiming at stimulating these discussions and providing maximum benefit to the participants will support the training.

PROGRAMME SUMMARY

- This training course on Ship Chartering, Laytime & Demurrage Masterclass aims to enable participants to gain vital and in-depth knowledge in this area covering all the major aspects and gives them valuable key insights into the different aspects of chartering contracts which is the backbone of the shipping industry and help participants to avoid risks that are inherent in chartering contracts in a timely manner.
- The training course is designed to provide an intensive in-depth study of Chartering Contracts, Laytime and Demurrage. Participants will also have the opportunity to learn updates on the recent developments in shipping law and practise affecting chartering contracts by reviewing case studies and case law.

PROGRAM OUTLINE

Introduction to Ship Chartering, Laytime & Demurrage

- The basic principles of chartering
- Different types of chartering: time, voyage and bareboat
- Understanding Ship owners and Charterers roles, rights and obligations
- Common Contract & Commercial terms of charter parties
- Examples of charter parties used in different trades
- Understanding shipping trade “jargon”²

- Understand what is laytime, demurrage and despatch
- Case Studies Reviewed
- Role play – Negotiating a Voyage Charter Party

Defining Laytime

- Legal and operational issue: the laytime
- All possibilities and remedies undertaken
- The types of laytime
- The complications that may occur in the commencement of laytime
- What can be considered as an exception for laytime commencement
- Review of recent Case law

Calculating Laytime

- How to interpret “Laytime Definitions 2013” and charter party clauses
- The commencement of laytime
- How to assess the duration of laytime
- The cessation of laytime
- How to estimate the demurrage / despatch earned
- How to recognize fundamental differences between dry cargo and tanker laytime
- How to make a laytime calculation of multiple charters
- Reviewing and analysing case studies

Defining Demurrage, Detention and Despatch

- The fundamental contract law relating to demurrage, damages of detention, despatch and deadfreight
- How to determine the rate of demurrage in dry cargo and liquid cargo trades
- The liability of charterers for demurrage
- How to assess the termination of demurrage periods
- How to determine the rate of despatch in dry cargo trades
- The responsibility of the charterer to load full and complete cargo
- The effect of deadfreight on demurrage
- The content and rationale of past cases of English Common Law
- How to estimate the demurrage / despatch earned
- Practical differences in the despatch calculation
- Practical differences between normal, reversible and average laytime

Calculating Demurrage

- How to define laytime and demurrage
- How to perform demurrage calculation both for dry and wet charters
- Consequence of incorrect choice of wording in drafting charter party clauses regarding demurrage
- The importance of diversified interpretation of terms agreed
- The differentiation in claims resulting from such interpretation
- Analysing charter party clauses and documents required for calculations