Global Certificate in Ship Brokerage

Marine Insurance

Marine Insurance is a type of insurance that covers the loss or damage of ships, cargo, terminals, and any transport or transit by sea. It is a vital part of the maritime industry and ensures the financial protection of all parties involved in marine transportation. In this explanation, we will discuss the key terms and vocabulary related to Marine Insurance in the course Global Certificate in Ship Brokerage.

Marine Insurance Policy

A Marine Insurance Policy is a contract between the insurer and the insured that outlines the terms and conditions of the insurance coverage. It specifies the risks covered, the duration of the coverage, the amount of coverage, and the premium to be paid.

Hull and Machinery Insurance

Hull and Machinery Insurance covers the physical damage to the ship's hull, machinery, and equipment. It also covers the loss of the ship due to perils such as collision, stranding, fire, explosion, and jettison.

Cargo Insurance

Cargo Insurance covers the loss or damage to the cargo during transportation. It can be classified into two types: Institute Cargo Clauses (A), (B), and (C) and All Risks Insurance. Institute Cargo Clauses (A) provides the broadest coverage, while Institute Cargo Clauses (C) provides the most limited coverage. All Risks Insurance covers all risks, except those that are explicitly excluded.

Perils of the Sea

Perils of the Sea are the risks that are inherent in marine transportation, such as storms, waves, and ice. These perils are covered under Marine Insurance Policies.

War Risks

War Risks are the risks that arise due to war, hostilities, rebellion, or insurrection. These risks are not covered under standard Marine Insurance Policies and require a separate War Risks Insurance.

Strikes, Riots, and Civil Commotion

Strikes, Riots, and Civil Commotion are the risks that arise due to labor disputes, strikes, or civil unrest. These risks are not covered under standard Marine Insurance Policies and require a separate Strikes, Riots, and Civil Commotion Insurance.

Institute Time Clauses

Institute Time Clauses are standard clauses that are used in Marine Insurance Policies. They specify the risks covered, the duration of the coverage, and the terms and conditions of the insurance.

General Average

General Average is a principle in Marine Insurance that requires all parties involved in the marine transportation to share the loss or damage proportionately. It is invoked when the sacrifice of part of the ship or cargo is necessary to save the rest of the ship or cargo.

Blue Cards

Blue Cards are documents that are issued by the insurer to confirm that the cargo has been insured. They are required by customs authorities to allow the cargo to be imported or exported.

Open Cover

Open Cover is a type of Marine Insurance Policy that provides coverage for multiple shipments or transits over a specified period. It is commonly used in the shipping industry for regular customers.

Voyage Policy

Voyage Policy is a type of Marine Insurance Policy that provides coverage for a single shipment or transit. It is commonly used for one-off shipments or transits.

Single Voyage Policy

Single Voyage Policy is a type of Voyage Policy that provides coverage for a single shipment or transit from the point of origin to the point of destination.

Transit Policy

Transit Policy is a type of Voyage Policy that provides coverage for a single shipment or transit during the transit period only.

Sue and Labor Clause

Sue and Labor Clause is a clause in Marine Insurance Policies that requires the insured to take reasonable measures to prevent or minimize the loss or damage. It also allows the insured to recover the costs incurred in preventing or minimizing the loss or damage.

Constructive Total Loss

Constructive Total Loss is a loss that is not a total loss but is deemed to be a total loss due to the extent of the damage or the cost of repairs.

Total Loss

Total Loss is a loss that is complete and irrecoverable, such as the loss of the ship or cargo due to a peril of the sea.

Particular Average

Particular Average is a loss that is partial and recoverable, such as the loss of a portion of the cargo due to damage.

Increased Value Insurance

Increased Value Insurance is a type of Marine Insurance Policy that provides additional coverage for the increased value of the ship or cargo due to a rise in market prices or other factors.

Freight at Risk Insurance

Freight at Risk Insurance is a type of Marine Insurance Policy that covers the freight income that is at risk due to the loss or damage of the cargo.

Charterer's Legal Liability Insurance

Charterer's Legal Liability Insurance is a type of Marine Insurance Policy that covers the legal liability of the charterer for the loss or damage of the ship or cargo.

In conclusion, Marine Insurance is a complex and specialized field that requires a thorough understanding of the key terms and vocabulary. This explanation has provided a detailed and comprehensive overview of the key terms and vocabulary related to Marine Insurance in the course Global Certificate in Ship Brokerage. By understanding these terms and vocabulary, learners will be able to navigate the marine insurance industry with confidence and expertise.