



**UNIVERSITI KUALA LUMPUR**  
**Malaysian Institute of Marine Engineering Technology**

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**FINAL EXAMINATION**  
**OCTOBER 2025 SEMESTER SESSION**

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**SUBJECT CODE** : LOD11103

**SUBJECT TITLE** : MARITIME ECONOMICS

**PROGRAMME NAME** : DIPLOMA IN MARITIME MANAGEMENT  
(FOR MPU: PROGRAMME LEVEL)

**TIME / DURATION** : 2.00 PM - 5.00 PM  
(3 HOURS)

**DATE** : 26 JANUARY 2026

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**INSTRUCTIONS TO CANDIDATES**

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1. Please read **CAREFULLY** the instructions given in the question paper.
2. This question paper has information printed on both sides of the paper.
3. This question paper consists of **TWO (2)** sections; Section A and Section B.
4. Answer **ALL** question in Section A. and **ANY TWO (2)** questions in Section B.
5. Please write your answers on this answer booklet provided.
6. Answer **ALL** questions in English language **ONLY**.

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**THERE ARE 6 PAGES OF QUESTIONS, EXCLUDING THIS COVER PAGE.**

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**SECTION A (TOTAL: 60 MARKS)**

**INSTRUCTION: ANSWER ALL QUESTIONS.**

**Please use the answer booklet provided.**

**QUESTION 1**

Maritime Economics explains how shipping, ports, marine resources and maritime policies support trade and national development. Understanding its basic concepts helps learners recognise how maritime activities contribute to cost efficiency, trade movement and economic growth.

(a) Describe Maritime Economics.

(4 Marks)

(b) Identify FIVE (5) types of Maritime Economics and provide examples to support your answer.

(10 Marks)

(c) Explain THREE (3) importance of Maritime Economics in supporting a nation's economic activities.

(6 Marks)

**QUESTION 2**

Maritime activities contribute significantly to a nation's economic performance through trade movement, employment generation and connectivity. Understanding these activities helps learners appreciate how the maritime sector supports broader national economic development.

(a) Define maritime activities.

(4 Marks)

(b) Identify FIVE (5) types of maritime activities and provide examples to support your answer.

(10 Marks)

(c) Explain THREE (3) ways maritime development contributes to the economic growth of a country.

(6 Marks)

**QUESTION 3**

Maritime planning and forecasting help determine the future needs of shipping, ports and maritime regions. By examining maritime activities and locations, planners can ensure that resources, infrastructure and services support long-term trade and economic growth. Understanding examples of maritime activities and their geographical locations strengthens the ability to anticipate future industry trends.

(a) Define maritime planning and forecasting.

(4 Marks)

(b) Explain FIVE (5) maritime locations and provide examples to support your answer.

(10 Marks)

(c) Describe THREE (3) ways specific maritime locations are used in maritime forecasting.

(6 Marks)

**SECTION B (TOTAL: 40 MARKS)**

**INSTRUCTION: ANSWER ANY TWO (2) QUESTIONS ONLY.**

**Please use the answer booklet provided.**

**QUESTION 1**

In maritime economics, understanding how demand and supply interact is essential for analysing freight rate movements, vessel deployment, and market behaviour. Equilibrium changes in the maritime market occur when either demand or supply shifts, creating new price and quantity conditions that influence operational and strategic maritime decisions.

- (a) Analyse FIVE (5) factors that influence the demand for maritime services.

(10 Marks)

- (b) i. Draw a demand–supply equilibrium graph for the maritime market with all key components clearly labelled (including the demand curve, supply curve, equilibrium price, and equilibrium quantity).

(6 Marks)

- ii. Provide a brief explanation of the equilibrium in the maritime industry.

(4 Marks)

**QUESTION 2**

Cost and pricing play a crucial role in maritime economics as they determine freight charges, port fees, terminal pricing, and overall service competitiveness. Pricing decisions in the maritime sector depend on cost structures, market conditions, regulatory frameworks, and operational efficiency. Understanding how pricing theories are applied helps maritime practitioners evaluate the financial and strategic implications of charging methods used across ports and shipping services.

(a) Analyse FIVE (5) factors that influence pricing decisions in maritime services.

(10 Marks)

(b) Evaluate the application of pricing methods used in maritime charging, including their effects on;

i. port operations

(2 Marks)

ii. service users

(2 Marks)

iii. cost recovery

(2 Marks)

iv. efficiency

(2 Marks)

v. competitiveness.

(2 Marks)

**QUESTION 3**

Rapid technological advancement has transformed the maritime industry, introducing automation, digital platforms, smart navigation systems, and green technologies. These innovations carry both benefits and limitations, influencing safety, cost efficiency, workforce requirements, and environmental performance. Understanding emerging technologies helps maritime professionals assess how the sector will operate in the future and how organisations must adapt to remain competitive.

(a) Analyse FIVE (5) roles and limitations of emerging maritime technologies.

(10 Marks)

(b) Evaluate the potential impacts of future maritime technologies on;

i. operational efficiency

(2 Marks)

ii. safety performance

(2 Marks)

iii. environmental sustainability

(2 Marks)

iv. cost reduction

(2 Marks)

v. industry competitiveness.

(2 Marks)

(10 Marks)

**END OF FINAL EXAMINATION QUESTION**