



TERMS & ABBREVIATIONS

Ad Valorem

("at value") – an ad valorem freight rate is one where the freight is based on the value of the goods. An ad valorem bill of lading is one where the value of the goods is shown on the face of the document, which value then becomes the carrier's limit of liability, in return for this increased liability the carrier will charge an addition to the sea freight.

Agent

A person authorized to transact business for and in the name of another person or company.

AOIS

Australian quarantine inspection service. A government body protecting Australia from contaminated fauna and flora.

Arbitrary

An additional rate charged over an already fixed rate, when freight has to be moved by an additional source of transport from one point, to get to another point.

BAF

Bunker Adjustment Factor. Adjusts the freight to reflect current cost of bunkers (fuel for ships).

B/L

Bill of Lading – acts as a receipt for the cargo and contains the terms of the contract of carriage and is a document of title to the goods.

Bonded Warehouse

A place of security approved by the custom authorities for the deposit, keeping and securing of goods liable to excise duty, without payment of this duty.

Box

A colloquial name for a shipping container.

Break Bulk

Goods shipped loose in the vessels hold and not in containers.



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CAF

Currency adjustment factor – adjusts the freight to reflect currency exchange fluctuations.

CABAF

Currency and Bunker adjustment factor, a combination of CAF and BAF.

CAN/PRA

CAN - Customs Authority Number

It's the number given by customs upon the clearance of export goods.

PRA - Pre Receival Advice

It's the electronic lodgment to the wharf for notification of a container coming in for export.

Cartage

Refers to the intra-city haulage of goods on drays (heavy side less cart) or trucks.

Certificate of Origin

A document certifying the country of origin of goods which is normally issued or signed by a Chamber of Commerce or Embassy

CFR

Cost and freight. An Incoterm where the seller includes the cost of transportation in the price for his goods (freight pre-paid). Formerly known as C & F.

CFS

Container Freight Station – a place for the packing and unpacking of LCL consignments.

CHIEF

Customs Handling of Import and Export Freight – a customs computer system.



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CIF

Cost, insurance and freight. An Incoterm where the seller arranges and pays for the main carriage to the port of destination and organizes the insurance cover for the cargo, while in transit.

CMI

Comite Maritime International – an international committee of maritime lawyers.

Commercial Invoice

Represents a complete record of a transaction between exporter and importer with regard to the goods sold. Also reports the content of the shipment and serves as the basis for all other documents about the shipment.

COU

Clip on unit – a portable refrigeration unit

CRN

Customs Register Number – is the number allocated by customs to an export, agent or freight forwarder for use when exporting goods on the same shipment from more than one shipper.

CT

Combined Transport – carriage buy more than one mode of transport under one contract of carriage.

CY

Container Yard – a collection and distribution point for FCL containers.

Conference

An organisation of a group of shipping lines operating in one trade who have agreed to operate a common tariff.

Consortium

A group of 'Combined Transport' operators who agree to rationalise sailing in a trade and carry each others cargo.

Cut Off Date

The last date for which goods can be accepted for a nominated sailing.



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Consignee (CNEE)

The party to whom a consignment is dispatched, having legal title to the goods.

Consignor (CNOR)

The sender of the goods

Consignment Note

A document that describes a consignment moving from one point to another, also known as advice or dispatch note or Con note.

COD

Cash on delivery – full payment for goods on delivery

Deconsolidation Point

Place where loose or other non-hazardous cargo is ungrouped for delivery.

Demurrage

A charge raised for detaining cargo, containers or trailers for a longer period than provided for in the tariff.

D/O

A document given to the party surrendering the original Bill of Lading, authorizing them to take delivery of the goods.

Documentary Credit

The basis of international trade by means of which payment is made against surrender of specified documents.

DOT

Department of Trade – governmental department with responsibility for shipping and trade.

Drawback

Repayment of a duty upon re-exportation of goods previously imported.



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Duty

Is a particular percentage (depending on commodity) of the FOB value, which is paid to the government. The FOB value is the cost of the goods plus any other charges to get those goods on to a vessel.

EHA

Equipment Handover Agreement – acknowledging the condition of the carriers equipment when taking over and returning it, incorporating contractual terms under which the equipment is taken over.

ETA

Estimated Time of Arrival – indicates the estimation of the date/hour, the carrier believes the cargo, vessel or container will arrive at a nominated point/port.

ETD

Estimated Time of Departure – see above.

EX-WORKS

An Incoterm when the sellers only responsibility is to make the goods available at his premises for pick up.

FAK

Freight all kinds – refers to full container loads of mixed shipments for different consignees.

FCL

Full Container Load – an arrangement whereby the shipper utilises all the space in a container which he packs himself.

FCX

Full container shipments from multiple suppliers for the one consignee.

Flat Rack

Container bottom specifically for heavy lifts and overwidth cargoes. Non-containerisable cargo can be accommodated on several flats positioned side by side.



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FMC

Federal Maritime Commission – US Federal Authority governing sea transport.

Feeder Vessel

A Short-sea vessel used to fetch and carry goods and containers to and from deep-sea ports/vessels

Freight

The amount of money payable for the carriage of goods. Sometimes erroneously used to describe the goods, which are more correctly described as “cargo” in marine transportation.

GATT

General Agreements on Tariffs & Trade – an international multilateral agreement embodying a code of practice for fair-trading in international commerce with headquarters in Geneva.

Groupage

Consolidation of several LCL consignments into a container for different consignees.

GP

General Purpose – A closed steel container for the carriage of all types of general, non-hazardous cargo. 20' & 40' available in GP.

GST

Goods and Service Tax – worked out as 10% of the CIF value + the duty amount. The CIF value is the cost of goods + marine insurance + freight amount (cost to get cargo to destination port) + duty.

Hazchem Code

Hazardous chemical code placed on tankers carrying dangerous chemicals.

Hi-Cube

Is a container which is slightly (bigger) higher than a General Purpose container. Available in both 20' & 40'.



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House Bill of Lading

Issued by a freight forwarder or consolidator covering a single shipment containing the names, addresses and specific description of the goods shipped.

ICC

International Chamber of Commerce.

IMDG Code

International Maritime Dangerous Goods Code – contains the IMO recommendations for the carriage of dangerous goods by sea. The form needed for export of this sort of cargo is known as an MO41 and is available from a freight forwarder. Paperwork for imported dangerous goods comes from the supplier.

IMO

International Maritime Organisation – a UN body charges with the duty of making safety and anti-pollution conventions and recommendations concerning sea transport.

Incoterms

A list of standard terms stated by the ICC for all foreign trade contracts, which lists the respective responsibilities of the buyer and seller.

Insulated Container

Specifically for cargoes requiring transport at a constant temperature above or below freezing point This is controlled by the ship's or the terminal's cooling plant or a clip on reefer unit.

ISO

International Standards Organisation – a body responsible for, inter alia, setting standards for container construction.

L/C

Letter of Credit – a document in which the terms of documentary credit transactions are set out.



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LCL

Less than Container Load – when a parcel is too small to fill a container, it is grouped by the carrier at a 'CFS' depot, with other compatible cargo, for the same destination.

L/I

Letter of Indemnity – sometimes also called a letter of guarantee, if an original b/lading has become lost or delayed it allows the consignee to take delivery of his goods.

Lo/Lo

Lift On Lift Off – a wharf charge for the lifting of containers on and off a vessel.

Liner

A vessel plying a regular pattern of trade on a defined route under a published sailing schedule.

MMO

Multi Modal Operator

Manifest

List of goods or passengers on a vessel / aircraft

Non Conference

A shipping line which does not participate in a consortium with other lines for tariff agreement.

NVOC(C)

Non Vessel Operating (Common) Carrier – a carrier issuing bills of lading for carriage of goods on vessels which they neither own or operate.

Notify Party

The party to whom the cargo arrival notice is sent.

O/H

Over Height – a container with cargo exceeding the height of the container.



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O/S

Open Sided – A container with open sides for over width cargo.

O/T

Open Top – A container with open top loading facility, suitable for the carriage of heavy, over height cargo's equipped with tarpaulin roof.

OOG

Out Of Gauge – goods whose dimensions exceed those of the container in which they are packed.

O/W

Over Width – a container with goods protruding beyond the sides of the container / flat rack onto which they are packed.

Packing List

Document required by the buyer and Customs, indicating content being shipped, or contents of each package.

Packing Declaration

Document required by Aqis which states how the shipment as been packed with regards to straw, timber and bark. The packing declaration must be completed in full including a numerical link i.e. container or bill number and issued on supplier's own letterhead to be accepted by quarantine.

POA

Place of Acceptance – the place where the goods are received for shipment of transit and where the carrier's liability commences.

POD

Place of Discharge – the place where the goods are discharged and carriers liability ends. It can also mean;

Proof of Delivery – a signed receipt acknowledging delivery.

POL

Port of Loading – the port at which accepted cargo is loaded onto a vessel.



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Principal Carrier

The carrier who issues the B/Lading regardless of whether or not the goods are carried on their own, a third party's or a consortium members vessel.

PSC

Port Service Charge. Cost of loading, unloading FCL consignment at the terminal.

RO/RO

Roll On Roll Off – A vessel onto which goods can be driven, via ramp.

Routing Order

Document given to a supplier for instruction of buyers whom cargo is to be routed through, i.e. freight forwarder or forwarders agent in country of origin.

Reefer

A refrigerated container.

SOB

Shipped on Board – and endorsement on the bill of lading confirming that the goods have been loaded on board.

Shipper

The person who tenders the goods for carriage. Not to be confused with the party issuing the bill of lading or the vessel operator, who is the carrier.

Short Shipped

Goods not carried on the intended vessel.

Slot

The space on board a vessel occupied by a container. Also known as the time booked to deliver a container to the wharf.

TEU

Twenty-Foot Equivalent Unit – ie. 1 x 20ft = 1 TEU, 1 x 40ft = 2 TEU.

THC

Terminal Handling Charge – A charge for handling containers at ocean terminals/wharves.



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Tare Weight

The actual weight of the empty container, no including the goods.

Tariff

The terms, conditions and scale of charges for carriage

Transship

When cargo is discharged from one ship and loaded onto another in order to reach a port of no direct service or as a cheaper alternative to the direct service.

Waybill

A bill of lading that acts as receipt for the goods and evidence of the contract for carriage. A waybill is a bill of lading that is not a document and can be defined as follows: - a receipt for goods; is evidence of the contract; is a non-negotiable document.

Under a waybill, delivery will be effected to a nominated consignee upon proof of identity. As a title it presents a personal contract between the shipper and the carrier only. There is (at present) no mandatory law or convention and the parties have absolute freedom of contract.

Vent

Container which contains ventilations sites to prevent condensation accumulating on cargo.