



## Most Common Shipping Terms

### **Air waybill**

Consignment note covering the carriage of goods by airfreight.

### **Alongside vessel**

Delivery of cargo on the wharf, berth or lighter under the ship's tackle, for direct loading into the ship.

### **Berth**

At a quay or wharf, location where a ship is moored to unload/load cargo.

### **Bill of lading (B/L)**

Title of property of the goods, it is the authentic receipt delivered by carriers for the said goods shipped/to be shipped on a named vessel.

### **BAF**

Surcharge calculated at a percentage of the basic ocean freight, to consider price of fuel fluctuations.

### **Certificate of insurance**

Document issued by insurers confirming that a particular consignment is covered by their company and giving the name of their agent to contact at destination.

### **Certificate of origin**

Document certified by Chambers of Commerce confirming the origin of goods and required in some instances by Customs Authorities for clearance.

### **Certificate of short-landing**

Document which must be issued by carriers or their agents when they fail to deliver a cargo of which a valid bill of lading has already been issued.

### **Charter-party**

Contract to hire of a vessel or part of a vessel.

### **Clear**

To clear: process through customs.

### **Closing date**

Date limit by which goods can be delivered for loading into a vessel.

### **Commodity rate**

Or "corate," special low rates applicable in airfreight traffic for certain categories of supplies and between designated airports of origin and destination.

### **Consignee**

The entity that is financially responsible for receiving the cargo.

### **Consignment Note**

Transport document relating to a cargo, where the weight, size, number of parcels and appearance are indicated.

### **Consignor**

The sender of a cargo.

### **Consolidation**

The assembling of several loads originating from different sources for joint dispatch.

### **Consolidator**

The firm, normally forwarding agent, running a consolidation service.

### **Consular invoice**

Document required by some countries' customs that certifies a shipment of goods and shows information such as consignor, consignee and value of cargo.

### **Container**

Metallic box, of steel or aluminium, with double doors at one end in use on sea-routes, for easier handling and safe transportation of cargo.

### **Crate**

Open case made of planks assembled, nailed and strapped which show contents or their inner packing, as opposed to a close case.

### **Cubic foot**

Unit of volume, often used to express freight rate i.e. \$... per 40', meaning \$... per 40 cubic feet, equivalent to 1.13 cubic meters.

### **Cubic meter**

Volume unit of measure.

### **CAF**

Surcharge calculated at a percentage of the basic ocean freight, to consider fluctuations of currencies for rates expressed in US\$ (the adjustment can be negative).

### **Dangerous goods**

Goods that because of their nature are classified as hazardous and admitted for transportation on special terms and regulations.

### **Deck**

Under deck cargo means goods stowed inside the holds of a vessel; on deck cargo means goods stowed above the holds "on deck", on the vessel, mostly because of their hazardous nature; on deck cargo will be the first to be jettisoned in case of emergency; deck goods are always carried without any acceptance of responsibility by the carrier.

### **Delivery note**

Documents used by cartage contractors or carriers to be signed by consignee as receipts for the goods and on which reservations must be stated if consignments are not in order.

### **Delivery order**

Voucher issued by carriers or agents against surrenders of Bs/L, enabling consignees to obtain delivery of their cargo; also, document establishing the transfer of cargo from one party to another.

### **Demurrage**

Penalty for keeping containers longer than allowed; penalty for immobilization of a vessel longer than allowed for loading/unloading and payable by owners of the goods.

### **Destuffing**

In container traffic: emptying of the container.

### **Door-to-door**

Road transport service from origin to consignee.

**FCL**

Full container load.

**Feeder service**

Delivery or collection services to/from ports of call of large ocean vessels, and arranged on smaller local vessels, barges, rail or road, from/to various places of origin/destinations which could not be served by the larger vessels.

**FIATA**

International Federation of Freight Forwarders Association

**FIATA B/L**

Valid B/L established by a forwarder belonging to the above association.

**Floating policy**

Also called open policy, open marine policy: insurance contract of a permanent nature between insurer and insured.

**Forwarding agent**

Or forwarder – intermediary between suppliers, buyers and carriers, who arrange pre-transportation, shipping and documentation in accordance.

**Harbour dues**

Taxes for using port facilities.

**Haulage**

Land transport, by train or truck.

**Heavy lift charges**

Additional charges for moving, loading or unloading pieces above a certain weight limit per unit; these charges vary according to the port equipment and facilities.

**IATA**

International Air Transportation Association.

**IMO (previously IMCO)**

International Maritime Organization. Code: IMO. Publications whereby dangerous goods are classified into several categories according to their hazards (corrosive, inflammable, explosive, poisonous, etc), and editing compulsory rules and regulations adopted by most trading countries, for their packing, markings, conditions of acceptance and carriage.

**Incoterms**

International commercial terms.

**Joint-cargo**

Consolidated cargo.

**Lay-day**

Or lay time, is the period of time allowed for the unloading/loading of a vessel.

**LCL**

Less than container load, a transport service that gathers in the same container goods from several exporters.

**Legalized invoice**

Invoice prepared on seller's own letter headed forms, to be legalized by a consulate, when such is required for customs clearance in some countries.

**Letter of credit**

Document issued by a bank, acting as an intermediary between buyer and seller.

**Lighter**

Barge placed alongside vessels on which cargo is unloaded/loaded, when this cannot be done at a wharf/quay.

**Lighterage**

Transport of goods or persons by barge to a moored ship.

**Manifest**

List of the consignments placed on board an aircraft or vessel.

**Markings**

Symbols, letters and figures, stencilled on cases/packages and serving as identification of consignments.

**Minimum freight**

Minimum amount charged by carrier and per B/L in case of transportation of small consignment.

**Negotiable**

A document which is a title of value or property, such as an original B/L, and that can be transferred to somebody by endorsement.

**Non-negotiable**

Either duplicate of a negotiable document (n/n copy of B/L), or document that is not a title of property (an air waybill is not a negotiable document).

**Notify address**

In a B/L or AWB, name and address of a party, not designated as consignee or beneficiary, but to whom a notification of arrival of the goods is to be sent by the carrier's agent at destination.

**On board B/L**

Mention that may appear on Bs/L, as a confirmation that the goods are effectively loaded.

**Pallet**

Robust, wooden floor, on wood blocks, that allows handling by fork-lift trucks on which goods, presented in standard packs, can be easily transported.

**Payload**

Total weight of the cargo that can be placed in a rail or road truck, or in a plane.

**Reefer**

Refrigerated container.

**Restricted cargo**

Hazardous goods, or goods classified as such, admitted for carriage under special rules and regulation.

**Skid**

Special frame, usually metallic, to permit handling, lifting, stowing, of pieces of odd shape, or size, and generally heavy.

**Stowage**

Storage space in ships or in containers.

**Stuffing**

Loading into containers.

**Subrogation**

Transmission of rights of claim and recovery to another party.

**Survey report**

Detailed report prepared by an insurance agent describing the damages suffered by goods, the possible cause of discrepancies and all relevant shipping information, to enable insurers to give consideration to the case; expensive document not to be requested for minor claims.

**Tackle**

Ship's own gear to load/unload cargo.

**Through B/L**

B/L covering a carriage between two designated places but involving a transshipment or a transfer during the course of the journey.

**Through Charge**

The total rate from the starting point to the destination point. It may be a combined fare or a combination of fares for air cargo.

**Transshipment**

Transfer of cargo or container from one ship to another when the first ship does not call directly at the port of destination.

**Underdeck**

Space below the vessel's deck where cargo is stowed in the holds; carriers are responsible for cargo shipped under deck, whilst they reject all liability for cargo shipped on deck.

**Warehouse**

Storehouse where cargo is kept pending dispatch or retrieval.

**Bonded warehouse**

Warehouse under customs control where cargo in transit is kept or where cargo is kept pending customs clearance.

**Waybill**

Consignment note; generally speaking, document covering dispatch of goods.

**Wharf**

Quay alongside which vessels berth.

**W/M**

Means weight/measurement, basis of calculation of ocean freight charges.