

Glossary of shipping terms

AES

The Automated Export System (AES) is the system used by U.S. exporters to electronically declare their international exports

Air Waybill

Air Waybill (AWB) or air consignment note refers to a receipt issued by an international airline for goods and an evidence of the contract of carriage, but it is not a document of title to the goods

Aircargo Agent

An agent appointed by an airline to solicit and process international airfreight shipments.

Airport Code

An airport code is a short code used to identify a specific airport.

Arrival notice

A notice from the ocean carrier to the “notify party” indicating the vessel’s estimated arrival date; identifying shipment details.

Barge To Ship

The situation where cargo is loaded directly from the barge to the ocean carrier.

Bonded Warehouse

A Bonded warehouse is a building or other secured area in which

dutiable goods may be stored, manipulated, or undergo manufacturing operations without payment of duty. It may be managed by the state or by private enterprise. In the latter case a customs bond must be posted with the government.

Break Bulk

A shipping term for any loose material that must be loaded individually, i.e. not containerised.

BSC

Bunker Surcharge.

C/

Consignee

C/Y

Container yard

Carrier Certificate and Release Order

A document used to advise customs of a shipment's details.

Certificate of Origin (CO)

A CO traditionally states from what country the shipped goods originate, but "originate" in a CO does not mean the country the goods are shipped from, but the country where their goods are actually made.

CFT

Cubic Feet.

Chargeable Weight

The shipment weight used in determining air freight charges. The chargeable weight may be the dimensional weight or for container shipments, the gross weight of the shipment less the tare weight of the container.

COD

Cash on Delivery, Collect Freight Consignee pays to carrier when freight reaches port or ultimate destination.

Commercial Invoice

The Commercial Invoice is important for the clearance process used by customs officials to classify merchandise so that duties & taxes can be correctly assessed.

Commodity

A commodity is a good for which there is demand and which is used in commerce

Consignee

In a contract of carriage, the consignee is the person to whom the shipment is to be delivered to whether by land, sea or air.

Country of Transshipment

The country through which a shipment must pass and be re-sorted to reach its ultimate destination.

Courier

A courier is a person or a company who delivers messages, packages, and mail

CSC

Container Service Charge

Customs Broker

Customs brokerage is a profession that involves the 'clearing' of goods through customs barriers for importers and exporters (usually businesses).

Customs Clearance

International procedure of declaring goods at the Customs Office to gain authorized entry of those goods into a country.

Customs Invoice

Certain countries require special invoices containing specific information for the Customs clearance and valuation of imported shipments

Customs Value

The value of a shipment declared to customs

Dangerous Goods

Dangerous goods, also called hazardous materials or HazMat, are solids, liquids, or gases that can harm people, other living organisms, property, or the environment. They are often subject to chemical regulations

Declared Value

Value of a shipment which is declared by the shipper used to determine duty and carrier liability

Delivery Instructions or delivery orders

A Delivery Order is a document from a consignor, a shipper, or an owner of freight which orders the release of the transportation of cargo to another party.

Delivery Service Bringing goods to a destination on behalf of a shipper for a fee.

Demurrage

The term demurrage originated in vessel chartering (notably voyage chartering) and refers to the period when the charterer remains in possession of the vessel after the period normally allowed to load and unload cargo (lay time).

Destination The end location of a shipment.

DG

Dangerous Goods

Dimensional Weight

Used in shipping and freight, this is a billing technique which takes into account the XYZ axis dimensions of a package.

DTD

Door to Door

DTP

Door to Port

Dutiable

Goods which are subject to import duty.

Duty

A duty is a kind of tax, often associated with customs, a payment due to the revenue of a state, levied by force of law. It is a tax on certain items purchased abroad

ECCN (Export Control Commodity Number)

A specific alpha-numeric code that identifies the level of export control for articles, technology and software (collectively, "Items") that are exported from member states of the Wassenaar Arrangement.

EIN (Exporter Identification Number)

An IRS identification number is assigned by the US government for shipments being exported from the US.

Electronic Export Information (EEI)

The term "EEI" was adopted in 2005 to clearly differentiate the electronic reporting of this information from the use of a paper "Shipper's Export Declaration" (SED) form, which, as of September 30, 2008, is no longer accepted.

Embargo An embargo is the partial or complete prohibition of commerce and trade with a particular country, in order to isolate it

Entry/Immediate Delivery

Customs Form CF3461 allows the importer or Customs Broker to take immediate delivery of imported goods prior to payment of duties and processing of an Entry Summary for most types of merchandise. The importer has ten days to file the Entry Summary and pay the appropriate duties.

ETA

Estimated Time of Arrival

ETD

Estimated Time of Departure

EX DEC

Shipper's Export Declaration.

Export Airbill

A contract of carriage for exported goods.

Export Broker

An individual or organization that unites buyer and broker for a fee.

Export License

A Government authorization which allows a shipper to export specified goods to designated countries.

Express B/L

Ocean Bill of Lading issued by the steamship line when cargo is

consigned directly to the customer with the effect of cargo being immediately released.

F.O.B. (Free on Board)

Free on board means that the seller delivers when the goods pass the ship's rail at the named port of shipment.

FCL

Full container load

Flat Rack

A flat trailer

Form A

An origin declaration document, required by importers from their foreign suppliers, to enable the importer to receive favorable Customs duty considerations

40 Footer

A 40 foot long container

Forwarding

To ensure and facilitate the passage of goods from an origin to a destination.

Free Trade Zone

A free trade zone (FTZ) or export processing zone (EPZ) is an area of a country where some normal trade barriers such as tariffs and

quotas are eliminated and bureaucratic requirements are lowered in hopes of attracting new business and foreign investments

Freight Forwarder

A freight forwarder, forwarder, or forwarding agent is a person or company that organizes shipments for individuals or other companies and may also act as a carrier.

Full Set Off B/L's

Usually means the issuance of the three original's and three copies of the ocean Bill of Lading.

Gateway City

Key cities regarding the entry/departure for international shipments,

Gross Weight

Total complete weight of a shipment (includes goods and packaging)

Harmonized Code The Harmonized Commodity Description and Coding System (HS) of tariff nomenclature is an internationally standardized system of names and numbers for classifying traded products developed and maintained by the World Customs Organization (WCO)

Hazmat Bill of Lading

Shipping papers for hazardous materials

HBL

House Bill of Lading.

House to House Rates

Warehouse to warehouse rate from the shippers warehouse to the consignees warehouse

IATA (International Air Transport Association)

The International Air Transport Association (IATA) is an international industry trade group of airlines headquartered in Montreal, Canada, where the International Civil Aviation Organization is also headquartered.

Import License

An import license is a document issued by a national government authorizing the importation of certain goods into its territory.

In Bond

A term applied to the status of merchandise admitted provisionally to a country without payment of duties, either for storage in a bonded warehouse or for transshipment to another point, where duties eventually will be paid.

Inspection Certificate Either an affidavit by the shipper, or by an independent inspection firm hired by the buyer, certifying the quality, quantity, and conformity of the goods to the purchase order.

Insurance Certificate

A document which shows the amount of risk covered in a shipment

Insured Value

Monetary value to which goods on a shipment are insured to

Integrated Carrier

A freight company that can offer the integrated options of air, sea and road freight.

In-Transit Declaration

This is a form for shipments who pass through continental U.S., the U.S. Virgin Islands, or Puerto Rico en route to their destination.

KGS

Kilogram (2.2046 pounds).

L/C

Letter of Credit

LBS

Pounds

LCL

Less than Container Load.

LTL

Less than Trailer Load.

M/N

Marks and Numbers

M3

Cubic Meters

Marine Cargo Insurance

Marine cargo insurance covers the loss or damage of cargo between the points of origin and final destination.

NCV (No Commercial Value)

Items such as documents which have no commercial value.

Non-Conference Rate

Rates given by independent shippers who are not part of a conference

Non-Dutiable

Goods exempt from duty in a particular customs jurisdiction

O/F

Ocean Freight

OBL

Ocean Bill of Lading

On-Board Courier

Many companies who operate under a Just-In-Time or "JIT" inventory method often utilize on-board couriers. On-board couriers are individuals who can travel at a moment's notice anywhere in the world, usually via commercial airlines.

On-Forwarding

A shipment which stops at an intermediate stop and then needs to be shipped to its final destination.

Open Tops

Usually used for oversized cargo where the top of the container is kept open

Oversized Pieces

Shipments too large to fit on a standard pallet(usually in excess of 85 inches)

Packing List

A packing list is a shipping document that accompanies delivery packages, usually inside an attached shipping pouch or inside the package itself. It commonly includes an itemized detail of the package contents and does not include customer pricing. It serves to inform all parties, including transport agencies, government authorities, and customers, about the contents of the package. It helps them deal with the package accordingly.

Palletized Cargo

Cargo which is transported on pallets, which are also known as platforms

Perishable

Items which will only remain fresh in the short term and need special freight conditions to maintain or prolong their freshness and avoid decay. Good examples are fish and fruit.

Phytosanitary Inspection Certificates

These are used in regards to the transportation of plants, health of those

plants, and conformity to local regulations in regards quarantine and disease control.

Pick Up Service

Picking up the goods to be transported from the shipper directly

POD

Proof of delivery

Point of Origin

Where a shipment originally commenced.

POL

Port of Landing

Postal Code

A postal code (known in various countries as a post code, postcode, or ZIP code) is a series of letters and/or digits appended to a postal address for the purpose of delivering mail or freight

Power of Attorney

This is where freight forwarding companies are authorised to act as agents for Importers and Exporters by the importer or exporter.

PPD

Prepaid Charges

Prepaid freight

The shipper pays prior to their freight shipment being expedited

Preprinted Airbill

The shipping company, name, address, and account number are pre-printed on these air bills. This speeds up the whole process and helps to maintain accuracy in documentation.

Pro forma Invoice

An invoice prepared in advance of a shipment and is often used by the shipper to obtain a letter of credit from his/her bank.

PTP

Port to port

Reefer

A refrigerated trailer or container that is commonly used for perishable goods.

Restricted Articles

Articles, usually hazardous materials which need to be classified as dangerous goods when transported internationally by air.

Ro/Ro

Roll-on/roll-off (RORO or ro-ro) ships are vessels designed to carry wheeled cargo such as automobiles, trucks, semi-trailer trucks, trailers or railroad cars that are driven on and off the ship on their own wheels.

S/

Shipper

Shipper's Export Declaration (SED)

The Automated Export System (AES) is the system used by U.S. exporters to electronically declare their international exports, known as Electronic Export Information (EEI), to the Customs and Border Protection (CBP). The information is also shared with the Census Bureau to help compile U.S. export and trade statistics. Formerly, this declaration was only made by the paper Shipper's Export Declaration (SED) form.

Shipper's Letter of Instruction

The shipper normally gives this to the freight forwarding company which details how to deal with a particular shipment

Single Access Document

Customs document regarding goods entering or leaving the EU

STS

Short Ton (2,000 pounds).

STC

Said to Contain

Tare Weight

Unladen weight, which is the weight of an empty vehicle or container

Tariff Rate

The rate or price schedule for transporting different items to various countries.

Tariff

A document issued by a carrier setting forth applicable rules, rates, and charges for the movement of goods. It sets up a contract of carriage between the shipper, consignee, and carrier

Telex

Instant communication tool which has been superceded by e-mail

TEU

Twenty foot unit(vessel)

THC

Terminal handling charge

Third Party Billing

Third party billing in regards to the transportation industry is the transference of transportation charges to a party other than the shipper or consignee.

Transmittal Letter

is the document used to send shipping documents to a remitting bank for processing either a collection or payment/negotiation under a Letter of Credit

Transshipment

Transshipment is the shipment of goods or container to an intermediate destination, and then from there to yet another destination.

It often involves a change of transport in the intermediate destination.

TRC

Terminal Receiving Charge

TVC

Time Volume Contract

20 Footer

20 foot container

ULD

Unit load device- A unit load device, or ULD, is a pallet or container used to load luggage, freight, and mail on wide-body aircraft and specific narrow-body aircraft

Unit Cost

Cost associated with one unit

USAID Label

If shipments are expedited under a A.I.D programme(Agency for International development),the shipment must bear teh USAID emblem

USPPI (United States Principal Party of Interest)

The principal party of interest is the main beneficiary from a monetary sale.

Validated Export License

A license issued by the Bureau of Industry and Security of the U.S Department of Commerce allowing the holder to export specified goods (usually commodities) during the time the license is valid.

W/M

Weight or Measure: whichever is greater.

WT

Weight or Weight Ton

Zip Code

ZIP codes are a system of postal codes used by the United States Postal Service (USPS) since 1963. The term ZIP, an acronym for Zone Improvement Plan, is properly written in capital letters and was chosen to suggest that the mail travels more efficiently, and therefore more quickly, when senders use the code in the postal address.