

Glossary Of International Shipping Terms

A8A Manifest

A form issued by a licensed Custom's Broker which allows CCRA to monitor in bond shipments as they move through Canada.

AMS Automated Manifest System.

An application that expedites the clearance of cargo for the subsequent release of containers when imported to U.S.A. through electronic submission of cargo manifests in lieu of bulk paper manifests.

Arrival Notice

An advice that the carrier or forwarder sends to the consignee advising of goods coming forward for delivery. Pertinent information such as bill of lading number, container number and total charges due from consignee etc, are included and sent to consignee prior to vessel arrival. This is done gratuitously by the carrier or forwarder to ensure smooth delivery but there is no obligation by the carrier or the forwarder to do so. The responsibility to monitor the transit and present himself to take timely delivery still rests with the consignee.

Awkward Cargo

Cargo of irregular size that can either be containerized (packed in container) or non-containerized (without equipment associated with) during transportation. It requires prior approval on a case-by-case basis before confirmation of booking.

Axle Load

Maximum load permitted to be carried on each axle of a motor vehicle.

Berth

The place beside a pier, quay or wharf where a vessel can be loaded or unloaded.

Bill of Lading (B/L)

The official legal document representing ownership of cargo. It is a negotiable document confirming the receipt of cargoes, and the contract for the carriage of cargoes between the shipper and the carrier.

Block Train

Railcars grouped in a train by destination so that segments (blocks) can be uncoupled and routed to different destinations as the train moves through various junctions. This eliminates the need to break up a train and sort individual railcars at each junction.

Bona fide

In good faith.

Bonded Carrier

A carrier licensed by U.S. Customs to carry Customs-controlled merchandise between Customs points. Old Dominion is a bonded carrier.

Bonded Warehouse

A warehouse authorized by Customs for storage of goods on which payment of duties is deferred until the goods are removed.

Booking

Arrangement with a steamship company for the acceptance and cartage of freight.

Booking Number

A reference number for bookings registered with a carrier. It should be unique without duplication for a three-year period.

Aow

The front of a vessel.

Box

Common term for an ocean-going freight container.

Broker

An individual, partnership or corporation which arranges transportation service for client companies.

Break-bulk Cargo

Goods shipped loose in the vessel hold and not in a container.

Broken Stowage

The spare volume of a container or the cargo hold of a vessel where no cargoes are stowed. It is a reflection of the bad stowage of the container or the vessel.

Bulk Carriers

A vessel carrying dry, liquid, grain, not packaged, bundled or bottled cargo, and is loaded without marks and number or count.

Aull Rings

Aargo-securing devices mounted in the floor of containers which allow lashing and securing of cargoes.

Bunker Surcharge (BAF, BSC)

Bunker Adjustment Factor (BAF), or Bunker Surcharge (BSC) are surcharges assessed by the carrier to freight rates to reflect current cost of bunker.

Bunkers

Heavy oil used as fuel for ocean vessels.

C & F

Cost and Freight. It is a term of trading in which the buyer of the goods pays an amount which covers the cost of the goods plus the cost of transporting the goods from origin to the port of discharge or final destination.

CAF

Currency Adjustment Factor. An ancillary charge on ocean freight to compensate for exchange rate fluctuations.

CBM (CM)

Cubic meter.

CCA

Connecting Carrier Agreement. An Agreement of freight rates for connections between feeder ports and the ports of call of vessels.

CCRA (Canada Customs and Revenue Agency)

Canadian Government Customs Authority.

CFR

A pricing term indication that the cost of the goods and freight charges are included in the quoted price.

CFS

Container Freight Station. A carrier facility where Less Than Container load shipments are consolidated or unloaded.

CIF

Cost, Insurance and Freight. A term of trading in which the buyer of the goods pay for the cost of the goods, the cost of transporting the goods from origin to the port of discharge or final destination and the insurance premium for a maritime insurance policy for the value of the order.

CKD

Abbreviation for “ Cars Knocked Down “. Automobile parts and subassemblies manufactured abroad and transported to a designated assembly plant.

COD

Collect (cash) on Delivery; Carried on Docket (pricing); Change of Destination.



CSA (Customs Self Assessment)

A joint Canada/US border initiative aimed at speeding up the customs process on low-risk shipments.

C-TPAT (Customs-Trade Partnership Against Terrorism)

A joint government and trade community initiative in developing, enhancing and maintaining effective security processes throughout the global supply chain.

Cargo Manifest

A manifest that lists only cargoes, without freight and charges.

Carrier

Any individual, company or corporation engaged in transporting cargoes.

Carriers Owned Containers (COC)

The containers used for the transportation of cargoes belonging to the property of the carriers.

Cells

The construction system employed in container vessels which permits containers to be stowed in a vertical line with each container supporting the one above it inside the cargo hold.

Cellular Vessel

A vessel designed with internal ribbing to permit the support of stacked containers.

Certificate of Origin

Document certifying the country of origin of goods which is normally issued or signed by a the relevant Government Department of the exporting country, or Chamber of Commerce or Embassy.

CFS/CFS

A kind of cargo movement by container. Delivered loose at origin point with vaning by carrier, devanned by carrier at destination, and picked up loose at destination.

Chassis

A wheeled flat-bed constructed to accommodate containers moved over the road. Also termed as “Trailers”.

Closing

The published deadline for export cargoes or containers to be accepted for a sailing of the carrier. CY Closing is applicable to FCLs and CFS Closing is applicable to LCLs. Normally, CFS Closing is around 24 hours ahead of CY Closing, depending of the complexities of export customs clearance formalities at the country. See “ Late-Come “ .

Consolidated Cargo

Cargo containing shipments of two or more shippers, usually shipped by a firm called a consolidator. The consolidator takes advantage of lower FCL rates, and savings are passed on to shippers.

Consolidation

The combination of many small shipments into one container.

Consolidator

A person or firm performing a consolidation service of small lots of cargoes for shippers.

Consortium

A group of carriers pooling resources, normally container vessels, in a trade lane to maximize their resources efficiently.

Container

A van-type body that can be relatively easily interchanged between trucks, trains and ships

Container Freight Station (CFS or C.F.S.)

Consolidation depots where parcels of cargo are grouped and loaded into containers.
Alternatively, inbound cargoes in a container are devanned for deliveries to consignees as LCLs.

Container Gross Weight

Refer to “Gross Weight”.

Container Load Plan (CLP)

A document prepared to show all details of cargoes loaded in a container, e.g. weight (individual and total), measurement, markings, shippers, consignees, the origin and destination of goods, and location of cargo within the container. A Container Load Plan is either prepared by the cargo consolidator or the shipper which ships its cargoes on FCL terms.

Container Number

The unique identification of a container.

Container Seal Number

A number embossed on high-security seals for closing up containers which will serve identification purposes.

Container Size

The length of a container i.e. 20', 40' and 45' (feet).

Containership

An ocean vessel specifically designed to carry ocean cargo containers. It is fitted with vertical cells for maximum capacity.

Container Terminal

A facility which allows container vessels to berth alongside for the operations of loading and unloading of containers. Shippers deliver their export containers to the Container Terminal

awaiting for loading onto container vessels whilst consignees at ports take delivery of containers from the Container Terminal after they are unloaded from the container vessels.

Container Type

Containers are classified under different types, e.g., dry cargo, reefer, open top, flat-rack, open-side, etc.

Container Yard (CY or C.Y.)

A facility inside or outside the Container Terminal which accepts laden export containers from shippers or laden import containers for delivery to consignees.

Controlled Atmosphere (CA)

An atmosphere in which oxygen, carbon dioxide and nitrogen concentrations are regulated, as well as temperature and humidity.

Cu.

Cubic. A unit of volume measurement.

Cube

A measure of volume expressed in cubic feet.

Cube the Shipment

Measure the total cubic feet of the shipment.

Cubic Foot

1,728 cubic inches.

Currency Adjustment Factor (CAF)

A surcharge percentage applied to freight rates to reflect currency fluctuations between U.S.dollars and other currencies.

Customs Bonded Warehouse

A public or privately owned warehouse where dutiable goods are stored pending payment of duty or removal under bond. The storage or delivery of goods are under the supervision of

customs officers and if the warehouse is privately owned the keeper has to enter into a bond as indemnity in respect of the goods deposited, which may not be delivered without a release from the customs.

Customs Broker

A private business that provides documentation and entry preparation services required by CCRA and U.S. Customs on behalf of an Importer/Exporter of Record. Hired by an importer to carry out Customs related responsibilities and is covered by Power of Attorney to act on behalf of the Importer/Exporter of record.

Customs House

A Government office where import duties, etc., on foreign shipments are handled.

Custom House Broker

An individual or firm licensed to enter and clear goods through Customs.

Customs Valuation

The determination of the value of imported goods for the purpose of collecting ad valorem duties.

Cut-off Time

Latest possible time the cargo or container may be delivered to the vessel or designated point. See "Closing".

Cwt.

Hundredweight (100 pounds in U.S.A.; 112 pounds in the U.K.).

CY/CFS

Cargo loaded in a full container by a shipper at origin, delivered to a CFS facility at destination, and then devanned by the carrier for loose pick-up.

CY/CY

Cargo loaded by the shipper in a full container at origin and delivered to the carrier's terminal at destination for pick-up intact by consignee.

D & H

Dangerous and Hazardous. Also see "Dangerous Goods".

DDU (Delivered Duty Unpaid)

In DDU, shipper clears the goods for export and is responsible for making them available to the buyer at the named place of destination, not cleared for import.

DDP (Delivered Duty Paid)

In DDP, shipper clears the goods for export and is responsible for making them available to the buyer at the named place of destination, cleared for import, paid duty and tax

Dangerous Goods

The term used by I.M.C.O. for hazardous materials which are capable of posing a significant risk to health, safety or property while being transported.

Dead Space

Space in a car, truck, vessel, etc., that is not utilized.

Deadweight (D.W.)

The number of tons of cargoes, stores and bunker fuel a ship can carry and transport. Also see "Deadweight Tonnage".

Deadweight Tonnage (D/W)

The number of total weight tons of cargoes, stores and bunker fuel that a vessel can carry and transport. It is the difference between the number of tons of water a vessel displaces "light" and the number of tons it displaces when submerged to the "load line."

Dedicated Unit Train

An unit train operated by various railroads for exclusive usage.

Delivery Order

A document authorizing delivery to a nominated party of cargoes in the care of a third party. The document is issued by a carrier or a forwarder on surrender of a bill of lading and then used by the merchant to transfer title by endorsement.

Demurrage

Detention of a freight vehicle or container beyond a stipulated time.

Destination

The place where the carrier or the forwarder actually turns over the cargo or container to consignee or his agent. It may also be termed “ Final Destination”.

Destination Delivery Charge (DDC)

A charge assessed by the carrier for the handling of a full container at destinations. The term is more commonly used in the U.S.A. trade.

Detention (Demurrage)

Charges raised by the carrier or the forwarder for detaining container/trailer at customer premises for a period longer than that provided in the Tariff of the carrier or the forwarder.

Detention Charge

See "Detention".

Devanning

The removal of cargo from a container. Also known as unstuffing, unloading or stripping.

Differential Rate

An amount added or deducted from base rate to make a rate to or from some other point or via another route.

Diversion

A change made in the route of a shipment in transit.

Divert

The route of a shipment changed in transit from that shown on the original billing. Used interchangeably with reconsign.

Dock

(a) The water alongside a pier or wharf. (b) Loading or unloading platform at an industrial location or carrier terminal.

Dock Receipt

A document used to acknowledge receipt of cargo or container at a CFS or a CY or a Container Terminal. When delivery of an export shipment is completed, the dock receipt is surrendered to the vessel operator or the operator's agent in exchange for the ocean or house bill of lading.

Domestic

Within your own country.

Door-to-Door

Through transportation of a container and its cargoes from consignor's premises to consignee's premises.

Double-deck Load

A second tier of cargo placed on top of the first tier.

Double Stack Train (DST)

Rail or train capable of carrying two 40' containers, one on top of the other.

Dray

A truck or other equipment designed to haul heavy loads.

Drayage

Charge made for local hauling by dray or truck; road transportation between the nearest Ocean Port or Railway terminal and the stuffing/destuffing place.

Dry Cargo

Cargo that does not require temperature control.

Dry Dock

An enclosed basin into which a ship is taken for underwater cleaning and repairing. It is fitted with watertight entrance gates which when closed permit the dock to be pumped dry.

Dry-Bulk Container

A container constructed to carry grain, powder and other free-flowing solids in bulk.

Dunnage

Lumber or other material used to brace materials in carrier's equipment or containers.

Dwell Time

It is expressed in terms of number of days that a container changed from one status to another, e.g., from inbound load to empty available to outbound load. The shorter the dwell time, the more efficient the container utilization will be.

Empty Depot

A container yard used for the storage of empty containers.

En route

Along the route of movement.

ETA

Estimated time of arrival of carriers.

ETD

Estimated time of departure of carriers.

Ex Works

An INCOTERMS term of sale in which the buyer is responsible for taking delivery of the goods at the premises of the factory. Also known as “F.C.A.”

Exchange Rate

The ratio of prices at which the currencies of nations are exchanged at a particular time.

Export

Shipment of goods to another country.

Export Declaration

A government document permitting designated goods to be shipped out of the country.

FAF

Fuel Adjustment Factor. An ancillary charge on ocean freight shipments to account for fluctuations in fuel costs.

FAK

Freight All Kind. A system whereby freight is charged per container, irrespective of the nature of the cargoes, and not according to a Tariff. FAS Free Alongside Ship. An INCOTERMS term of sale in which the buyer is responsible for all charges of the transportation of the cargoes after they arrive at the side of the ship. It is not a commonly-used term of sale in international trade today.

FAST (Free and Secure Trade)

A joint Canada/US border security agreement, of which C-TPAT and PIP are the main initiatives.

FBT

Full Berth Terms. Indicates that the cost of loading and discharge is included in the steamship

rate quoted. Ship owner pays these.

FCA

Free Carrier. See “Ex-Works”

FCL

Full Container Load. It is an arrangement whereby the shipper packs cargoes into a container provided by the carrier or the forwarder before delivering to the container terminal.

FEU

Forty foot (40’) Equivalent Unit. Commonly describes a 40- foot container.

FIO

Free In and Out. It is a term used in ship-chartering whereby the owner of the ship is not responsible for any charges incurred in the ports of loading or unloading.

FOB

Free On Board. It is an INCOTERMS term of sale where the seller of the cargoes are responsible for all charges of the transportation of the cargoes all the way up to their arrival on board the ship. It includes all charges of carriers or forwarders levied at the port of loading.

FCL/FCL

See "CY/CY".

FCL/LCL

See "CY/CFS".

Feeder Vessel

A vessel employed in normally short-sea routes to fetch or carry cargoes and containers to and from ocean-going vessels from the principle port hubs in a region to the minor ports.

FEU

Forty-foot Equivalent Unit (40' or 2 TEUs)

Final Destination

The place where the carrier or the forwarder actually turns over the container or cargo to the consignee of its agent. It is the end of liability of carriers or forwarders.

Flash Point

A temperature that when certain inflammable cargo reaches will trigger spontaneous ignition. It is an IMCO standard information requirement for dangerous goods.

FMC

Federal Maritime Commission. US Government Agency responsible for the regulation of all maritime activities.

Force Majeure

Force of nature. Accidents or incidents caused by the force of nature which are beyond the power of people to control.

Foreign Exchange Controls

Government restrictions on the use of currency, bank drafts or other payment types to regulate imports, exports and trade balances.

Free Along Side (FAS)

A basis of pricing meaning the price of goods alongside a transport vessel at a specified location. The buyer is responsible for loading the goods onto the transport vessel and paying all the cost of shipping beyond that location.

Free On Board (FOB)

An acronym for “free on board” when used in a sales contract. The seller agrees to deliver merchandise, free of all transportation expense, to the place specified by the contract. Once delivery is complete, the title to all the goods and the risk of damage become the buyer’s.

F.O.B Origin

“F.O.B. Origin” means that title and risk pass to the buyer at the moment of the seller’s delivery to the carrier. The parties may agree to have title and risk pass at a different time or to allocate freight charges by a written agreement.

F.O.B. Destination

“F.O.B. Destination” changes the location where title and risk pass. Under this arrangement, title and risk remain with the seller until they have delivered the freight to the delivery location specified in the contract.

Free Storage Period (FSP)

A carrier offers a period of time, normally three to five days, at destinations whereby imported containers or cargoes are allowed to be taken delivery by consignees free of any storage charge. After the FSP, there will be an overtime storage charge or demurrage levied by the carriers to the consignee. When bulk shipments are involved, the carriers are prepared to negotiate a longer FSP with the consignees.

Freight

(a) The price paid to the carrier for the transportation of goods or merchandise by sea or air from one place to another. (b) Freight is also used to denote goods which are in the process of being transported from one place to another.

Freight Collect

The freight and charges agreed by the shipper and carrier is payable at destination.

Freight Forwarder

A freight forwarder combines less-than-truckload (LTL) or less-than-carload (LCL) shipments into carload or truckload lots. Freight forwarders are designated as common carriers. They also issue bills of lading and accept responsibility for cargo. The term may also refer to the company that fills railroad trains with trailers.

Freight Prepaid

Freight and charges are required to be paid by a shipper before an original bill of lading is released.

Fresh Air Exchange (FAE)

The fresh air exchange system in a reefer container which removes harmful gases from reefers carrying sensitive perishable commodities. The fresh air vent is located on the reefer machinery at the end of the container. The fresh air vent is adjustable to accommodate a variety of cargo and chilled load operating conditions. The fresh air vent should be tightly closed when carrying frozen cargo.

Full Cellular Ship

A ship fitted for container carriage in all available space. The ship is fitted with vertical cells for container placement both below and above deck. No provisions are available for cargo other than containers.

Fumigation

Treatment of cargoes with a pesticide-active ingredient that is a gas under treatment conditions. It is a process required by many importing countries for the importation of wood and related products.

Functional Currency

The currency of the primary economic environment of an entity. For ODFL, this is US Dollars.

G.R.I.

General Rate Increase.

GATT

General Agreement on Tariff and Trade. An international multilateral agreement embodying a code of practice for fair trading in international commerce.

General Average

General average is an unwritten, non-statutory, international maritime law which is universally recognized and applied. It is founded on the principle that vessel and goods are parties to the same venture and share exposure to the same perils, which may require sacrifice or the incurring of extraordinary expense on the part of one for the benefit of the whole venture. It is an arrangement which will be applied when the vessel is encountering serious accidents caused by force majeure.

Genset (Generator Set)

A portable power generator, which converts fuel into electrical power by mechanical means, and from which a reefer draws power. A clip-on generator set is mounted to the front of the refrigeration unit. An under slung generator set is mounted to the chassis upon which the reefer is mounted for handling and transport. The under slung generator set can be either side-mounted or center-mounted on the chassis.

Gooseneck

The front rails of the chassis that raise above the plane of the chassis and engage in the tunnel of a container.

Gross Tonnage

Applies to vessels, not to cargo. Determined by dividing by 100 the contents, in cubic feet, of the vessel's closed-in spaces. A vessel ton is 100 cubic feet.

Gross Weight

Entire weight of goods, packaging and container, ready for shipment.

Hague Rules

1924 International Convention on Carriage of Goods by Sea. These rules govern liability for loss or damage to goods carried by sea under a bill of lading.

Hague-Visby Rules

1968 Revision of Hague Rules.

Hamburg Rules

In March 1978 an international conference in Hamburg adopted a new set of rules (The Hamburg Rules), which radically alter the liability which ship-owners have to bear for loss or damage to goods in the courts of those nations where the rules apply.

Harmonized Commodity Description and Coding System

A multi-purpose international goods-classification for manufacturers, transporters, exporters, importers, customs officials, statisticians, and others in classifying goods moving in international trade under a single commodity code. Developed under the auspices of the Customs Cooperations Council (CCC), an international customs organization in Brussels, this code is a hierarchically structured product nomenclature containing approximately 5,000 headings and subheadings describing the articles moving in international trade. It is organized into 99 chapters arranged in 22 sections. Sections encompass an industry [(e.g., Section XI, Textiles and Textile Articles); chapters encompass the various materials and products of the industry (e.g.: Chapter 50, Silk; Chapter 55, Manmade Staple Fibers; Chapter 57, Carpets).] The basic code contains four-digit headings and six-digit subheadings. (The U.S. will add digits for tariff and statistical purposes. In the U.S., duty rates will be the 8-digit level; statistical suffixes will be at the 10-digit level.

Hatch

The opening in the deck of a vessel which gives access to the cargo hold.

Haulier

The participating carrier responsible for drayage of containers.

Heavy Lift

Articles too heavy to be lifted by a ship's tackle.

Heavy-Lift Charge

A charge made for lifting articles too heavy to be lifted by a ship's tackle.

High Cube (HC or HQ)

Any container which exceeds 8 feet 6 inches (102 inches) in height, usually 9 feet 6 inches.

Hold

It is the part of the ship below decks where the cargo is stored.

House Bill of Lading (HB/L)

Bill of lading issued by a forwarder or an NVOCC operator.

House-to-House (H/H)

See "CY/CY".

House-to-Pier (H/P)

See "CY/CFS".

Hull

The body of a vessel exclusive of masts, yards, sails, rigging, machinery and equipment.

Hull Underwriter

The person with whom the ship hull, machinery apparel, and tackle is insured.

I.M.C.O.

International Maritime Consultative Organization. A forum in which most major maritime nations participate and through which recommendations for the carriage of dangerous goods, bulk commodities and maritime regulations become internationally acceptable.

I P I

Interior Points Intermodal. A term used by ocean carriers to describe door-to-door delivery service.

I.T.

In Transit Document (Form 7512) issued by a licensed Customs Broker which allows U.S. Customs to monitor in bond shipments moving in the U.S.

IMDG Code

International Maritime Dangerous Goods Code. The IMCO recommendations for the carriage of dangerous goods by sea.

Import

To bring in goods from a foreign country.

Import License

A document required and issued by some national governments authorizing the importation of goods into their individual countries.

Import Permit

Usually required for items that might affect the public health, morals, animal life, vegetation, etc. Examples include foodstuffs, feedstuffs, pharmaceuticals (human and veterinary), medical equipment, seeds, plants and various written material (including tapes, cassettes, movies, TV tapes or TV movies). In some countries an import permit is the same as an import license.

In Bond

A term, which indicates that an imported shipment was not cleared by Customs at the border, and

is moving under a surety bond.

In Transit

In passage from one place to another.

Inbound

Inward bound. Direction of vessel or cargo going to port of discharge or final destination.

Incoterms

Incoterms are a set of uniform rules codifying the interpretation of trade terms defining the rights and obligation of both buyer and seller in an international transaction, thereby enabling an

otherwise complex basis for a sale contract to be accomplished in three letters. Incoterms are drafted by the International Chamber of Commerce.

Inland Clearance Depot

A CFS with Customs Clearance Facilities.

Insulated Container

A container insulated on the walls, roof, floor and doors, to reduce the effect of external temperatures on the cargo.

Insulated Tank Container

The frame of a container constructed to hold one or more thermally insulated tanks for liquids.

Interchange

Transfer of a container from one party to another.

Intermodal

Pertaining to transportation involving more than one form of carrier: truck, ship and rail.

Intermodal Transport

Moving ocean freight containers by various transportation modes. The fact that the containers are of the same size and have common handling characteristics permits them to be transferred from truck to railroad to air carrier to ocean carrier.

International Organization for Standardization (ISO)

ISO is a worldwide federation of national standards bodies from some 130 countries, one from each country. It is a non-governmental organization established in 1947 to promote the development of standardization facilitating international trade. ISO's work results in international agreements which are published as International Standards.

Invoice

Documentation supplying Customs with the type of goods, quantity, price of each type and terms of sale. The type of invoice required is determined by the shipment's value.

Keel

The main center-line structural member, running fore and aft along the bottom of a ship, sometimes referred to as the backbone.

Knot

A unit of speed. The term "knot" means velocity in nautical miles per hour whether of a vessel or current. One nautical mile is roughly equivalent to 1.15 statute miles or 1.85 kilometers.

L.C.L.

Less than Container Load. Cargo in quantity less than required for the application of a container load rate.

LCL/FCL

See "CFS/CY".

LCL/LCL

See "CFS/CFS".

Lashing

Support for cargoes inside a container or a cargo hold to ensure that they are secured and will not be subject to rolling during the voyage from origin to destination.

Late-Come

It is a term used in the liner industry when extensions are being given to the shippers against the official CY or CFS Closing date and time which carriers publish to the trade.

Letter of Indemnity

Guarantee from the shipper or consignee to indemnify carriers or forwarders for costs and/or loss, if any, in order to obtain favorable action by carriers or forwarders. It is customary practice for carriers and forwarders to demand letters of indemnity from consignees for taking delivery of cargoes without surrendering bill of lading which has been delayed or is lost.

Lien

A legal claim upon goods for the satisfaction of some debt or duty.

Lift-On/Lift-Off (LO-LO)

A container ship onto which containers are lifted by crane.

Lighter

An open or covered barge towed by a tugboat and used mainly in harbors and inland waterways.

Lighterage

Refers to the carriage of cargoes by lighter and the charge assessed therefore.

Liner

Vessel plying a regular trade/defined route against a published sailing schedule.

Liner Terms

Freight includes the cost of loading onto and discharging from the vessel.

Lloyds' Registry

An organization maintained for the surveying and classing of ships so that insurance underwriters and others may know the quality and condition of the vessels offered for insurance or employment.

Load Factor

Percent of loaded containers against total capacity of vessel or allocation.

Locking Bar

Device that secures container doors at top and bottom.

Long Ton

2,240 pounds.

Longshoreman

Workers employed in the terminals or quays to load and unload ships. They are also known as “Stevedores”. Loop A particular service of any Consortium or Carrier among various ports of calls, with the objective of creating a niche in the market for the first port of discharge.

Loose

Without packing.

Low-Bed

A trailer or semi-trailer with no sides and with the floor of the unit close to the ground.

Manifest

A document that lists in detail all the bills of lading issued by a vessel or its agent or master, i.e., a detailed summary of the total cargoes or containers loaded in a vessel. Used principally for customs purposes. It is also called summary of Bills of Lading.

Maquiladoras (ma·kil·a·dor·as)

Duty-free (for U. S. import) manufacturing plants located in Mexico.

Marine Insurance

Broadly, insurance covering loss or damage of goods at sea. Marine insurance typically compensates the owner of merchandise for losses sustained from fire, shipwreck, piracy and various other causes but excludes losses that can be legally recovered.

Maritime

Business pertaining to commerce or navigation transacted upon the sea or in seaports in such matters as the court of admiralty has jurisdiction over.

Marks and Numbers

Marks and Numbers placed on packages for export for identification purposes; generally a triangle, square, circle, diamond, or cross with letters and/or numbers and port discharge. They are of important use before containerization.

Master Bill of lading (MB/L)

See “Ocean Bill of lading”.

Master Lease

Master lease is one form of a short-term lease, which refers to the leasing of the containers by carriers from those leasing companies.

Master Lease Leasing Cost

Master lease leasing cost includes container rental, depot lift-on/lift-off charge, on/off hire drayage, drop-off charge and offhire repair cost, etc. Due to off-hire quota limitation, the average on-hire period is around 73 days for 20'GP, 40'GP and 102 days for 40'HQ.

Mate's Receipt

A receipt signed by a mate of the vessel, acknowledging receipt of cargo by the vessel. The individual in possession of the mate's receipt is entitled to the bill of lading, which in due course is issued in exchange for that receipt.

Maximum Payload

Maximum cargo that can be loaded into a container either by weight or volume.

Maximum Rate

The highest freight rate permitted by a regulatory body to apply between points.

Measurement Ton

1 cubic meter. One of the alternative bases of Freight Tariff.

Microbridge

A landbridge movement in which cargo originating/destined to an inland point is railed or trucked to/from the water port for a shipment to/from a foreign country. The carrier is responsible for cargo and costs from origin to destination. Also known as I.P.I. or Through Service.

Mini Landbridge (MLB)

An intermodal system for transporting containers from/to a foreign country by water to/from a U.S. ocean port other than the arrival port by rail at through rates and documents.

Mini-Bridge

Cargo moving from/to an inland destination on one bill of lading from/to a foreign port through two U.S. ports.

Minimum Charge

The lowest charge that can be assessed to transport a shipment.

MT (M/T)

(a) Metric Ton or Cubic meter. (b) Empty container. (c) Multimodal Transport.

NAFTA...North American Free Trade Agreement

The joint Canada, Mexico and United States treaty to reduce tariffs and trade barriers to promote cross-border economic activity.

NVOCC

Non-Vessel Operating Common Carrier. Cargo consolidator of small shipments in ocean trade into containers at the port.

Negotiable Bill of Lading

Original bill of lading endorsed by shipper that is used for negotiating with banks.

Negotiating Bank

A bank named in the credit; examines the documents and certifies to the issuing bank that the terms are complied with.

Net Tonnage

A vessel's gross tonnage minus deductions of space occupied by accommodation for crew, by machinery, for navigation, by the engine room and fuel. A vessel's net tonnage expresses the space available for passengers and cargoes.

Net Weight

Weight of the goods alone without any immediate wrappings, e.g., the weight of the contents of a tin can without the weight of the can. Also called actual net weight.

Non-negotiable Bill of Lading

Copy of original bill of lading which cannot be negotiated with banks.

Non-vessel Owning / Operating Common Carrier (N.V.O.C.C.)

(a) A cargo consolidator of small shipments in ocean trade, generally soliciting business and arranging for or performing containerization functions at the port. (b) A carrier issuing bill of lading for carriage of goods on vessel which he neither owns nor operates.

O.C.P. rate

Overland Common Point rates which are generally lower than local tariff rates. They were established by the U.S. West Coast steamship companies in conjunction with railroads serving the western U.S. ports so that cargo originating or destined to the American Midwest and East would be competitive with all-water rates via the U.S. Atlantic and Gulf ports. O.C.P. rates are also applicable to eastern Canada.

O.R.C.

Origin Receiving Charge. A Terminal Handling Charge levied at ports of loading.

Ocean Bill of Lading (Ocean B/L)

A bill of lading issued by the ocean-going carriers.

Ocean Route

The all-water transportation portion of a route.

On Board

Cargoes or containers landed onto the cargo hold or the cells of carriers.

On Board Bill of Lading

A Bill of Lading in which a carrier acknowledges that cargoes have been placed on board a certain vessel. The on-board date of bills of lading is the date on which liabilities of the carrier start.

On Deck

A special stowage instruction to confine that the cargo stowage must be on deck rather than under deck.

One-Way lease

The lease of containers that covers the outbound voyage only, after which the container is returned to the lease holder at or near destination agreed.

Open-Top Container

A container fitted with a solid removable roof or with a tarpaulin roof that can be loaded or unloaded from the top.

Outbound

Outward bound. Direction of vessel or cargo going out from port of loading or point/place of receipt.

Overheight Cargo

Cargoes which exceed 9-1/2 ft. in height. They have to be stowed normally in an open-top container.

PAPS...Pre-Arrival Processing System

An electronic system that allows U.S. Customs to review and pre-release shipments for import into the U.S.

PARS/INPARS...Pre-Arrival Review System

Available both at the border and inland (INPARS). An electronic system that allows CCRA to review and pre-release shipments for import into Canada.

P.O.D.

Port of Discharge. The port at which cargoes or containers are discharged from vessel. When transshipment is needed, there can be a number of PODs during the course of shipment until it reaches the final POD.

P.O.L.

Port of Loading. The port at which cargoes or containers are loaded onto vessels.

PIP...Partners in Protection

A CCRA initiative designed to enlist the cooperation of private industry in efforts to enhance border security and increase awareness of customs compliance issues.

Packing List

A document provided by the shipper detailing the packaging of the goods, including their weight and measurement, and assortment, etc.

Pallet

A platform (usually two-deck), with or without sides, on which a number of packages or pieces may be loaded to facilitate handling by a lift-truck.

Participating Carrier (Tariff)

A carrier that is a party, under concurrence, to a tariff issued by another transportation line or by a tariff's publishing agent.

Per Diem

Per day.

Perishable Cargo

Cargo subject to decay or deterioration, normally fresh food and vegetables, etc.

Pier-to-House (P/H)

See “CFS/CY”.

Pier-to-Pier (P/P)

See “CFS/CFS”.

Pilot

A person whose office or occupation is to steer ships, particularly along a coast or into and out of a harbor.

Place of Acceptance

See “Place of Receipt”.

Place of Delivery

See “Final Destination”.

Place of Receipt (P.O.R.)

Location where cargo enters the care and custody of the carrier. Same as Place of Acceptance. It is the starting port of carrier’s liability upon receipt of cargoes from shippers.

Port

(a) Harbor with piers or dock. (b) Left side of a ship when facing the bow. (c) Opening in a ship's side for handling freight.

Port of Arrival

Location where imported merchandise is off loaded from the importing aircraft or vessel.

Port of Call

A port where a vessel discharges or receives traffic.

Port of Discharge

A port where cargoes and containers are unloaded from a vessel.

Port of Entry

A port where cargoes and containers destined elsewhere are actually discharged from a vessel.

Port of Loading (POL)

A port where cargoes or containers are loaded onto a vessel.

Quarantine

The period during which a vessel is detained in isolation until free from any contagious disease among the passengers or crew. The word is now applied to the sanitary regulations which are the modern substitute for quarantine. During the quarantine period, the Q flag is hoisted.

Quarantine Buoy

One of the yellow buoys at the entrance of a harbor indicating the place where vessels must anchor for the exercise of quarantine regulations.

Quarantine Declaration

A document signed by the captain and the ship's doctor before the port health officer when a ship arrives at the quarantine station. It gives the name of the ship, tonnage, number of crew, first port of voyage and date of sailing, intermediate ports called at, number of passengers for the port at which the vessel is arriving, number of transit passengers, cases of infectious diseases during voyage, deaths, nature of cargo, name of agents. The port health officer then proceeds with the medical inspection of passengers and crew. Also called "Entry Declaration".

Quarantine Dues

A charge against all vessels entering a harbor to provide for the maintenance of medical control service. Also called "Quarantine Fees".

Quarantine Flag

A yellow flag used as a sanitary signal. It is displayed by all vessels entering a harbor; also when a contagious or infectious disease exists on board or when the vessel has been placed in quarantine.

Quarantine Harbor

A place where vessels in quarantine are stationed when arriving from contaminated ports.

Quarantine Station

A medical control centre located in an isolated spot ashore where patients with contagious diseases from vessel in quarantine are taken. It is also used for passengers and crews of vessel arriving from suspected ports while fumigation or any other disinfection is carried out on board ship.

RNS...Release Notification System

The electronic notification system that provides customers, customs agencies and customer's broker representatives with proactive notification of shipment acceptance, review and release.

Received-for-Shipment Bills of Lading

A term used in contrast to shipped bill of lading or on-board bill of lading. This kind of bill of lading is normally issued to acknowledge receipt of shipment before cargo loading or before official original bill of lading is issued. Nowadays, not many shippers ask for this kind of bill of lading.

Reefer

In the industry, it is the generic name for a temperature-controlled container. The containers, which are insulated, are specially designed to allow temperature controlled air circulation within the container. A refrigeration plant is built into the rear of the container.

Relative Humidity %

The ratio of the actual amount of water vapor in the air to the maximum it can hold at a given temperature, multiplied by 100.

Relay

To transfer cargoes from one ship to another of the same ownership.

Release Note

A receipt signed by a customer acknowledging the delivery of cargoes.

Revenue Ton (R/T)

The greater weight or measurement of cargoes where 1 ton is either 1000 kilos or 1 cubic metre

(for metric system). Also known as “Bill of Lading Ton” or “Freight Ton”. It is used to calculate freight charge.

Roll-On/Roll-Off (Ro/Ro)

A feature designed in a specially constructed vessel in both the loading and discharging ports.

Route

The plan of movements of a vessel from the first port of call to her final destination.

SED

Shipper's Export Declaration. A form, which is often, required prior to exporting a product. See [Overview of the Shipper's Export Declaration \(SED\)](#) for more information.

Salvage

The property which has been recovered from a wrecked vessel, or the recovery of the ship herself.

Salvage Clause

A marine insurance policy clause which states the proportion of salvage charges for which underwriters are liable.

Salvage Lien

A maritime lien which exists when a ship or goods come into the possession of one who preserves them from the perils at sea. All salvage services carry with them a maritime lien on the items saved.

Salvage Value

The value on which salvage is awarded. It generally means the value of ship and cargoes when they have been brought to a place of safety by the salvors.

Seal

A metal strip and lead fastener used for locking containers, freight cars or truck doors. Seals are

numbered for record and security purposes.

Seal Record

A record of the number, condition and marks of identification on seals made at various times and places, referring to the movement of the container between origin and destination.

Service Contract

The Shipping Act of 1984 of U.S.A. allows a contract between a shipper (or a shippers' association) and an ocean common carrier, NVOCC operator or a Shipping Conference in which the shipper makes a commitment to provide a certain minimum quantity of cargo or freight revenue over a fixed time period, and the ocean common carrier, NVOCC operator or conference commits to a certain rate or rate schedule as well as a defined service level (such as assured

space, transit time, port rotation or similar service features). The contract may also specify provisions in the event of nonperformance on the part of either party.

Ship Chandler

An individual or company selling equipment and supplies for ships.

Ship Owner

One of the persons in whom the title of property of a ship or ships is vested.

Ship Planning

A function in the operations of container vessels where containers have to be planned for loading onto vessels, taking into consideration the size and weight of containers, transshipment and discharging port rotation, types of cargoes, etc. The officer responsible for such a function is called a “ Ship Planner “.

Shipped Bill of Lading

A bill of lading issued only after the cargoes have actually been shipped on board the vessel, as distinguished from the Received-for-Shipment bill of lading. Also see “On- board Bill of Lading”.

Shipped on-board

Endorsement on a bill of lading confirming loading of cargoes or containers on a vessel.

Shipper

The person for whom the owners of a ship agree to carry goods to a specified destination and at a specified price. Also called “Consignor”. The conditions under which the transportation is effected are stipulated in the bill of lading.

Shipper Owned Container (SOC)

The container used for cargo shipment is owned by the shipper.

Shipper's Load and Count

Shipments loaded and sealed by shippers and not checked or verified by the carriers or forwarders. Neither the carriers nor the forwarders will assume any liability for shortages of cargoes as long as the container seal remains intact at the time of devanning.

Shipping Order

A set of documents of carriers or forwarders which allows the shippers to book shipping space with them. There are a number of copies with the same form and contents but with different names such as the 1st copy is called Shipping Order and the remainders are called Shipping Order Copy or Dock Receipt for different purposes such as space control, surveyor and sworn measurer, confirmation of receipt of cargoes/containers, etc. As EDI is more popular nowadays and used by both the shipper and Customs, hardcopy Shipping Order is no longer widely used.

Shipside Delivery

A special cargo handling instruction for cargoes to be delivered right away at shipside after discharge.

Shut-out

Cargoes or containers which are not loaded on-board the intended vessel in line with the Shipping Order confirmed with the carrier.

Slot

Space on board a vessel occupied by a container.

Stability

The force that holds a vessel upright or returns it to upright if keeled over. Weights on the lower hold increase stability. A vessel is stiff if it has high stability, tender if it has low stability.

Stack Car

An articulated five-platform railcar that allows containers to be double-stacked. A stack car holds ten 40-foot equivalent units.

Standard International Trade Classification (SITC)

A standard numerical code used by the United Nations to classify commodities used in international trade.

Starboard

The right-hand side of a ship when facing the bow.

Said to Contain (STC)

A standard clause used to protect carrier, NVOCC operators or forwarders when cargoes are stuffed into the container by shippers, their agents or other third parties. See also Shipper's Load and Count.

Stern

The end of a vessel. Opposite of bow.

Stevedore

See Longshoreman.

Store-Door Delivery (STOR/DOR)

Delivery of goods to consignee's place of business or warehouse by motor vehicle. Refers to a complete package of delivery services performed by a carrier from origin to final consumption point, whether that be a retail, wholesale or other final distribution facility.

Store-Door Pick Up

Picking up an empty container from a carrier, delivering it to a merchant and returning the laden container; the portion of store-door pick up performed by the carrier's trucker.

Stowage

A marine term referring to loading freight into the ships' holds.

Straight Bill of Lading

A term for a non negotiable bill of lading.

Stripping

She unloading of a container.

Stuffing

She loading of a container.

Supply Air

Cooled or warmed air leaving the evaporator delivered to the interior of the container. Supply air is sometimes called delivery-air.

Surcharge

An extra or additional charge.

T E U

Twenty-Foot (20') Equivalent Unit. Commonly describes a 20-foot container.

T V A

Time Volume Agreement. A contract between a carrier and shipper specifying the movement of a number of containers over time.

T-floor

Interior floor in a reefer, so named because of the longitudinal T-shaped rails which support the cargo and form a plenum for air flow beneath the cargo.

Tail

The rear of a container.

Tank Container

A specially constructed container for transporting liquids and gases in bulk.

Tare Weight

The weight of packing material or, in carload shipments, the weight of the empty freight car, or the weight of a container.

Tariff

A publication setting forth the charges, rates and rules of transportation companies.

Terminal

An assigned area in which containers are prepared for loading into a vessel or are stacked immediately after discharge from the vessel.

TEU

Twenty-foot Equivalent Unit (20") .

Terminal Handling Charge

(THC) A charge of carriers for recovering the costs of handling FCLs at container terminals at origin or destination.

Through Rate

The total rate from the point of origin to final destination.

Through Service (Thru Service)

A combination of transportation by sea and land (Thru Service) services to/from the point of origin to final destination.

Time Charter

A charter party hiring a vessel for a specified period of time in which the ship owner provides the vessel, bunkers and crew while the charterer supplies the cargo.

Tonnage

Generally refers to freight handled.

Towage

The charge made for towing a vessel.

Tramp

A freighter vessel that does not run in any regular trade lane but takes cargo wherever the shippers desire.

Tranship

To transfer goods from one transportation line (trade lane) to another, or from one ship to another.

Transshipment Hub

A port which is employed by a carrier for transshipping its carriers from one transportation line (trade lane) to another.

Transit Cargo

Goods onboard which upon their arrival at a certain port are not to be discharged at that port.

Transit Port

A port where cargoes received are merely en route and from which they have to be transferred and dispatched to their ultimate destination by coasters, barge and so on. Also called "Transshipment Port".

Terminal Receiving Charge (TRC)

A charge assessed by the terminal for cargoes being delivered for export.

UCP

Uniform Customs and Practice of Documentary Credit. The "bankers Bible" on Documentary Credit Interpretation issued by the International Chamber of Commerce (I.C.C.)

UCP500

Revised and updated version of UCP operating from January 1, 1994.

UN

United Nations.

UNCTAD

United Nations Conference on Trade and Development.

UNCTAD MMO

UNCTAD Multi Modal Transport Convention.

Underwriter

In marine insurance, one who subscribes his name to the policy indicating his acceptance of the liability mentioned therein, in consideration for which he receives by way of a premium.

Unit Load

Packages loaded on a pallet, in a crate or any other way that enables them to be handled at one time as a unit.

Unit Train

A train of a specified number of railcars, perhaps 100, wherein they remain in a unit for a designated destination or until a change in routing is made.

USDA

United States Department of Agriculture.

V A T, Mexico

Valued-Added Tax on the portion of service provided by the Mexican carrier. The invoicing party is due to collect and remit this tax.

Vanning

A term sometimes used for stowing cargo in a container.

Ventilated Container

A container designed with openings in the side and/or end walls to permit the ingress of outside air when the doors are closed.

Vessel's Manifest

Statement of a vessel's cargoes or containers (revenue, consignee, marks, etc.).

Voyage Charter

A charter party hiring a vessel for a particular voyage in which the shipowner provides the vessel, bunkers and crew whilst the charterer supplies the cargoes.

Voyage Direction

The sector of a round trip voyage normally denoted by the direction of the sailing.

Voyage Number

The numeric identification of a trip undertaken by a vessel on a fixed trade lane.

War Risk

Insurance coverage for loss of goods resulting from any act of war.

Warehouse

A place for the reception and storage of cargoes.

Waybill (WB)

A document prepared by a transportation line at the point of a shipment; shows the point of the origin, destination, route, consignor, consignee, description of shipment and amount charged for the transportation service. A waybill is forwarded with the shipment or sent by mail to the agent at the transfer point or waybill destination. Unlike a bill of lading, a waybill is not a document of title.

Weight Cargo

A cargo on which the transportation charge is assessed on the basis of weight.

Wharfage

A charge assessed by a pier or dock owner against freight handled over the pier or dock or against a steamship company using the pier or dock.