

# Abbreviations

**BAF** Bunker Adjustment Factor. Freight adjustment factor to reflect current cost of bunkers.

**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 depot, keeping and securing of goods liable to excise duty, without payment of this duty.

**Box** A colloquial name for a container.

**Break Bulk Cargo** Goods shipped loose in the vessel's hold and not in containers.

**CABAF** Currency and bunker adjustment factor, a combination of **CAF** and **BAF**.

**CAF** Currency adjustment factor - adjusts the freight to reflect currency exchange fluctuations.

**C&D** Collect and delivery - carriage from/to customer's premises to/from **CFS** (see hereunder).

**C&E** Customs and Excise.

**C&F** Cost and Freight - a conventional port-to-port INCOTERM of sale, more correctly known as **CFR** (see below).

**CFR** Cost and Freight - (see above).

**CFS** Container Freight Station - a place for the packing and unpacking of LCL consignments. Sometimes known as **C/B** in the U.K.; **Depots** in other parts of the world; and **ICD** in the U.K. and the Indian Subcontinent.

**CIF** Cost, Insurance and Freight - (see above).

**CIP** See above under Incoterms.

**CPT** Carriage Paid To - a new combined transport Incoterm replacing **CFR** where **CT** is involved but applicable to all modes of transport, it used to be **DCP**. Particularly appropriate for combined transport.

**CY** Container Yard - collection and distribution point for **FCL** (see below) containers.

**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.

**Closing Date** Last date for which goods can be accepted for a nominated sailing.

**DGN** Dangerous Goods Note.

**Delivery Order** A document authorising delivery to a nominated party of goods in the care of a third party. This document can be issued by a carrier on surrender of the original bill of lading and then used by the merchant to transfer title by endorsement.

**Demurrage** A charge raised for detaining a vessel, cargo or **FCL** or carrier's containers and/or trailers for a longer period than provided for in the tariff or contract.

**Depot** A **CFS**, (see above).

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

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

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

**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 ETA).

**FAK** Freight All Kinds - a system whereby freight is charged per container, irrespective of nature of goods and not according to tariff.

**FCL** Full Container Load - an arrangement whereby the shipper utilises all the space in a container which he packs himself. "FCL door (or house)/LCL depot" would describe a movement where a haulier, who was the sub-contractor of the carrier, took an empty container to a shipper's premises for packing by the shipper and then to haul the loaded container back to the container yard. At the importing end, the loaded container would then be unpacked at the CTO's depot by the sub-contractor of the carrier, who would effect delivery to the consignee's premises. "FCL port (or pier)/ FCL depot" is when the carrier receives from the shipper at the vessel's side a container packed by the shipper and delivers same to the consignee at the importing depot for the consignee to take it to this premises for unpacking and subsequent return of the empty container to carrier's depot.

**FMC** Federal Maritime Commission - US Federal Authority governing sea transport.

**FOB** Free On Board - a conventional port-to-port INCOTERM term of sale (see above).

**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.

**Freight Ton** The weight/volume on which freight is charged.

**GA** General Average.

**GATT** General Agreement on Tariffs and Trade - an international multilateral agreement embodying a code of practice for fair trading in international commerce with headquarters in Geneva.

**GCA** Gold Clause Agreement - an agreement relating to the interpretation of COGSA 1924 and the Hague Rules between certain insurers, cargo interest and British shipowners, agreed in 1950 but abandoned on the 31<sup>st</sup> May 1988.

**Groupage** Consolidation of several LCL consignments into a container.

**H/L** Heavy Lift.

**House or Door** A movement starting or finishing at the customer's premises. Thus, "House/House" or "Door/Door" starts at the shippers premises and ends at the consignee's premises.

**IMDG Code** International Maritime Dangerous Goods Code - contains the IMO recommendations for the carriage of dangerous goods by sea.

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

**ISO** International Standards Organisation - a body responsible for, inter alia, setting standards for container construction.

**INCOTERMS** International Rules for the Interpretation of Trade Terms - at current comprising 13 terms (listed above) for foreign trade contracts, compiled by ICC.

**L/C** Letter of Credit - a document in which the terms of documentary credit transactions are set out.

**LCL** Less than Container Load - when a parcel is too small to fill a container which is a grouped by the carrier at a **CFS** with other compatible goods for the same destination. "LCL door/LCL depot" is effected when the carrier collects the cargo from the shipper, takes it to his depot for groupage and delivers to the consignee at the import depot.

**L/I** Letter of Indemnity - sometimes also called a letter of guarantee, it allows the consignee to take delivery of his goods without the surrendering of the original bill of lading which has been delayed or become lost.

**LO-LO** Lift On Lift Off - a containership onto which and from which containers are lifted by crane (as apposed to RORO).

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

**Liner Terms** Freight payable which includes the cost of loading and unloading.

**MMO** Multi Modal Operator.

**Manifest** List of goods or passengers on a vessel.

**Measurement Ton** 1 cubic metre - one of the alternative bases of a freight tariff.

**NVOC(C)** Non Vessel Operating (Common) Carrier - a carrier issuing bills of lading for carriage of goods on vessels which he neither owns nor operates.

**Notify Party** The party to whom the ANF (see above) is sent.

**O/H** Overheight - a container with goods protruding above the top of the corner posts.

**OOG** Out of Gauge - goods whose dimensions exceed those of the container in which they are packed.

**O/W** Overwidth - a container with goods protruding beyond the sides of the container/flat rack onto which they are packed.

**P&I Club** Protection and Indemnity Association - the carrier's mutual liability insurer.

**POD** Place of Delivery - the place where the goods are delivered and carrier's liability ends. It can also mean Proof of Delivery and then it means a signed receipt acknowledging delivery.

**Port or Pier** A movement starting or finishing at the vessel's side, as in the times of break bulk cargoes, so that the inland movement prior and subsequent to sea carriage is effected by the merchant. It is possible to encounter movements involving more than one of these mentioned, Thus, "door(or house) /

depot" would describe a movement starting at the shipper's premises and ending at the CFS. Once the details in respect of LCL or FCL are added to the bill of lading a full picture of the type of movement contemplated by the shippers is possible.

**Principal Carrier** The carrier who issues the CTD, regardless of whether or not the goods are carried on his own, a third party's or a consortium member's vessel.

**RN** Release Note - a receipt signed by the customer with the acknowledgement of delivery of his goods.

**RO-RO** A ferry type vessel, onto which goods and containers can be driven usually via a ramp.

**Reefer** A refrigerated vessel or container.

**SOB** Shipped On Board - an endorsement on the "received for shipment" bill of lading confirming that the goods have been loaded on board.

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

**Shut-out** Goods not carried on the intended vessel.

**Slot** The place on board a vessel occupied by a container.

**Straight bill of lading** A peculiar American term for a negotiable bill of lading, like a "Waybill", governed by the US Pommerene Act.

**Stuffing/Stripping** The action performed whe packing or unpacking a container.

**TEU** Twenty-Foot Equivalent Unit - i.e. 1x20ft= 1TEU, 1x40ft= 2TEU.

**THC** Terminal Handling Charge - a charge for handling container at the ocean terminals.

**TIR** Transport International Routiers - a system involving the issue of a carnet to road hauliers which allows loaded vehicles to cross national frontiers with minimum customs formalities.

**Tariff** The terms and conditions and scale of charges - in the US trade the tariff must be notified in advance to the FMC (see above).

**Terminal** The port or depot at which containers are loaded or unloaded onto or from container vessels, rialways or trucks.

**UNCITRAL** United Nations Commission on International Trade Law.

**UNCON** Uncontainerable Goods - see as well Breakbulk, goods which because of their dimension cannot be containerised and which are therefore carried "breakbulk".

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

a waybill is a receipt for goods;  
a waybill is evidence of the contract;  
a waybill 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.