

# P12

# Export Documents

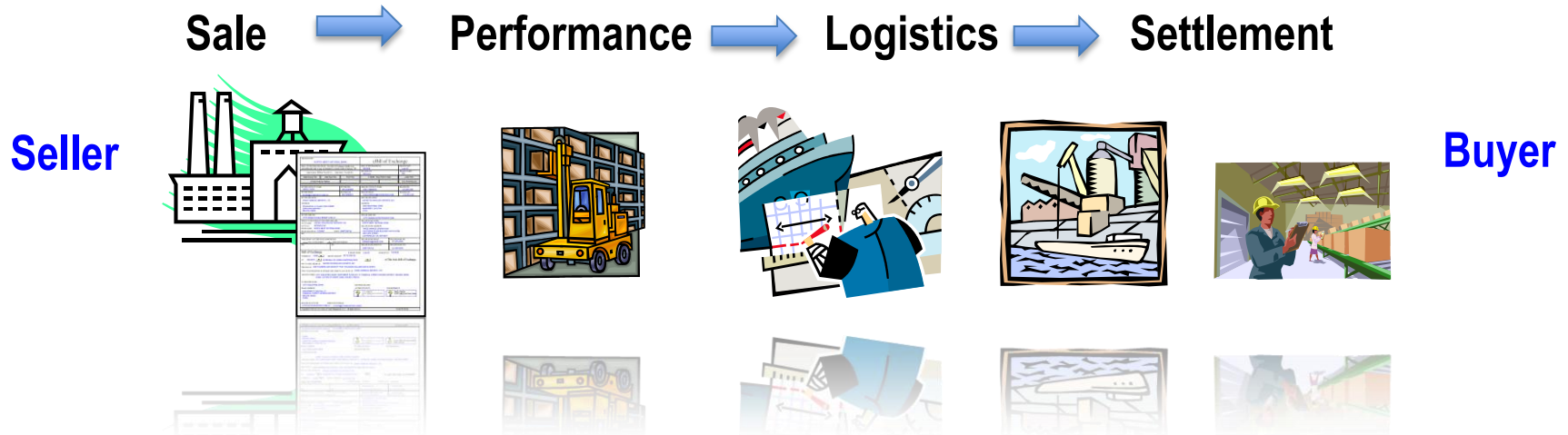
- Types of Export Documentation for Air Freight and Sea Freight
  - Commercial Invoice
  - Packing List
  - Certificate of Origin
  - Bill of Lading
  - Air Waybill
  - Export License/Declaration
- Commonly Used Terms in Export Documentation

School of  
Engineering

E216 Distribution  
& Transportation



# Main Phases of International Purchase



- The **Sale phase** consists of finding the buyer and/or seller leading to a Purchase Order
- The **Performance phase** involves the manufacturing and staging of the goods ready for shipment
- The **Logistics phase** involves moving the goods from the exporting to the importing country
- The **Settlement phase** involves the exchange of title for the goods from the seller to the buyer

# The Importance of Documentation

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- Documentation is a **vital component** in transportation and distribution, as they
  - Ensure **all arrangements are taken care of**, from determining how the goods are to be packed and transported, to collection of cargo at the place of receipt, right through to the safe arrival at the place of delivery
  - Act as a **safety net** for the consignor, carrier and consignee in terms of liabilities

# Common Sea Freight Export Documents

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- Bill of Lading (B/L)
- Sea Waybill (SWB)
- Commercial Invoice
- Packing List
- Export License and Declaration
- Certificate of Origin (COO)

# Commercial Invoice



A **commercial invoice** is the bill that the exporter or consignor sends to the importer or consignee

Invoice contains:

- Marks (e.g. handle with care, fragile, etc)
- Number of packages
- Description of merchandise
- Vessel name
- Name and address of consignee
- Total price of shipment
- Incoterms (e.g. CIF, FOB, etc)
- Terms of payment (L/C, payment on delivery, etc...)



# Other Documents

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- **Packing List**

- Contains the contents of each package/cartons

- **Export License and Declaration**

- Prepared by exporter to customs officials to collection of statistical data and control over exports

- **Certifications**

- Certificates of Origin – certifying the place of origin or merchandise
- Health certificates, etc – for food products and chemicals
- Insurance coverage throughout the journey of the shipment that may be over and above what is stipulated in the BL

- **Consular invoice/special customs invoice**

- Obtained by exporter from governmental representative of the importer's country
- Used to calculate the duty to be levied

# Bill of Lading (B/L)



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- Main document used in international maritime transport
- Establishes the terms of contract between a shipper and a transportation company
- Serves as a
  - Document of title (title of ownership) – defines holder of document as owner of goods
  - Contract of carriage – evidence of transport agreement
  - Confirmation of shipment – receipt of handover cargo

# Sample of Bill of Lading (B/L)



BILL OF LADING FOR COMBINED TRANSPORT SHIPMENT OR PORT TO PORT SHIPMENT				
Shipper <b>Domeq (Pty) Limited</b> Adderley Road, North End Port Elizabeth		B/L No. <b>PLZAA329</b> Reference No.		
Consignee or Order  <b>To order (1)</b>		 <b>"ON" SHIP</b> CARRIER		
Notify Party/Address <b>Hardware Supplies Limited</b> Cross Avenue New York		*It is agreed that no responsibility shall attach to the Carrier or his Agents for failure to notify. (See clause 20 on reverse) Place of Receipt (Applicable only when this document is used as a Combined Transport Bill of Lading)		
Ocean Vessel <b>Transvaal (2)</b>	Voyage No: <b>1378G</b>	Port of Loading <b>Port Elizabeth (3)</b>	Place of Delivery (Applicable only when this document is used as a Combined Transport Bill of Lading)	
Port of Discharge <b>New York (3)</b>				
Marks and Nos.: Container Nos.:  <b>MK 25Z (4)</b> <b>Container No. GSTU 2150221</b> <b>Seal No. 388487</b>		Number and Kind of Packages; description of Goods <b>1 20 DC Container(s) STC:</b> <b>500 Hacksaws Model TS 2</b> <b>with Safety Guard</b> <b>5 Packs (5)</b>	Gross Weight <b>280 kg</b>	Measurement <b>0.0000</b>
<b>L/C No. 188688/DLC (6)</b> <b>Shipped on Board (7)</b> <b>on 10 August 2002</b>				
*Total No. of Containers/Packages received by the Carrier <b>1 / 0</b>		Received by the Carrier from the Shipper in apparent good order and condition (unless otherwise noted herein) the total number or quality of Containers or other packages or units indicated in the box opposite entitled ***Total No. of Containers/Packages received by the Carrier** for Carriage subject to all the terms hereof (INCLUDING THE TERMS ON THE REVERSE HEREOF AND THE TERMS OF THE CARRIER'S APPLICABLE TARIFF) from the Place of Receipt or the Port of Loading, whichever is applicable, to the Port of Discharge or the Place of Delivery, whichever is applicable. One original Bill of Lading must be surrendered, duly endorsed, in exchange for the Goods, its accepting this Bill of Lading the Merchant expressly accepts and agrees to all terms and conditions whether printed, stamped or written, or otherwise incorporated, notwithstanding the non-signing of this Bill of Lading by the Merchant.		
Movement <b>USE-FCL</b>				
Freight and Charges (indicate whether prepaid or collect): <b>Freight Prepaid (8)</b> Origin Inland Haulage Charge Origin Terminal Handling/LCL Service Charge Ocean Freight Destination Terminal Handling/LCL Service Charge Destination Inland Haulage Charge				
Freight payable at <b>Port Elizabeth</b>		Place and Date of Issue <b>Port Elizabeth / 12 August 2002 (9)</b>		
Number of Original Bills of Lading <b>3 / Three (10)</b>		IN WITNESS of the Contract herein contained the number of original stated opposite here has been issued, one of which being accomplished the other(s) to be void. For the Carrier:  <b>For "On" Ship (11)</b> <b>As Carrier</b>		

# Common Types of B/L

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- **Combined Transport B/L** – carrier responsibility starts from the point of charge of the goods at the place of receipt until the time of delivery at the destination regardless of the mode of transport (sea, rail, truck) and whether or not any part of transport has been sub-contracted to a third party
- **Port to Port B/L** – carrier responsibility starts from the time at which charge is taken of goods at the Port of Loading up until the time of which the goods are delivered at the Port of Discharge

# Common Types of B/L

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- **House (Forwarder) B/L** – issued by a forwarder to a consignor as a receipt of goods. It has similar legal standing as carrier's B/L
- **Non-negotiable B/L**
  - English Law: the B/L must be surrendered in exchange of goods
  - US Law: permits the release of cargo to a named consignee who can identify himself, even if he cannot produce the B/L
- **Memo B/L** – when a principal carrier (who issues B/L) subcontracts the ocean transportation to another line, then this second line must issue a Memo B/L back to the principal carrier

# Common Types of B/L

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- **Sea Waybill**

- Similar to a B/L, but it is not a document of title and is non-negotiable.
- Can be forwarded as an electronic file using EDI, or as a printed document, unlike a B/L, which always come in the form of printed document
- Often used for international shipment of personal effect.
- In US, Sea Waybill is also called Straight B/L.

# Commonly Used Terms

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- **Consignor/shipper** – an individual or a business that purchases transportation services for their goods.
- **Carriers** – company that transports goods from shipper to consignee.
- **Consignee** – to whom the cargo is being shipped, and is officially the legal owner of the cargo.
- **Notify party** – a party to be informed or notified of the arrival of the goods at the destination port or at the place of delivery.

# Special Terms Used in B/L

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- Said to Contain (STC)
- Said to Weight (STW)
- Shipper's Load Stow and Count
  
- These terms are used to acknowledge the carrier receipt of the cargo without awareness of the exact nature, quantity, weight, and/or value of the content

# Airway Bill (AWB)

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- Purpose similar to that of B/L, but used in airfreight
- Provides all the information the air carrier needs
  - ✓ specifies **name/address of the consignor/consignee**
  - ✓ **routing instructions** for the carrier.
  - ✓ **describes the commodities**
  - ✓ **number of items** in each commodity description
- Non-negotiable



# Airway Bill (AWB)

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- Contract of carriage between the shipper and the carrier of the goods
- Proof of receipt of cargo for carriage
- As a freight bill
- As a certificate of insurance
- For customs declaration and clearance
- Documentary evidence of all shipment details and information guide to handling of goods
- Documentary proof of the value for carriage as declared by the shipper

# Airway Bill (AWB)

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- A **Master Airway Bill (MAWB)** is issued **by carrier to freight forwarder** consolidating consignments of several different shippers for the same airport of destination. A cargo manifest detailing such consignments is attached to the MAWB
- The **freight forwarder** in turn **issues to each shipper** its own AWB, known as a **house airway bill (HAWB)**
- For air freight using a house air waybill (HAWB), the freight forwarder's handling agent at destination notifies the consignee of the cargo arrival at destination

# Sample of MAWB



Shipper's Name and Address UNITED AIRLINES 1234 N W 12 ST MIAMI, FL 31212		Shipper's Account Number		Not Negotiable <b>Air Waybill</b> UNITED AIRLINES Issued by LOS ANGELES, CALIFORNIA		
Consignee's Name and Address CHINA INTERNATIONAL USA ROOM 801-807, DONG SHAN PLAZA 69 XIAN LIE ZHONG ROAD GUANGZHOU, CHINA		Consignee's Account Number		Copies 1, 2, and 3 of this Air Waybill are originals and have the same validity. It is agreed that the goods described herein are accepted in payment of freight under the conditions and provisions specified in the conditions of contract for the carriage of goods by air and shall be carried by any other carrier unless specific contrary instructions are given hereon by the shipper, and shipper agrees that the liability may be carried via intermodal transport facilities where the carrier deems appropriate. THE SHIPPER'S ATTENTION IS DRAWN TO THE NOTICE CONCERNING CARRIER'S LIMITATION OF LIABILITY. Shipper also hereby irrevocably and exclusively authorizes the carrier and agent to repackage, reweigh, regrade, repackage, reweigh, regrade, repackage.		
Issuing Carrier's Agent Name and City BLUE SEA SHIPPING 841 SANDHILL AVE CARSON, CA 90746		Agent's IATA Code		Account No.		
Airport of Departure (Addr. of First Carrier) and Requested Routing LOS ANGELES LAX		Airport of Destination (Addr. of First Carrier) and Requested Routing GUANGZHOU BAYUN CAN		Amount of Insurance NIL		
To By First Carrier UNITED AIRLINES		By HKG		By CAN		
Currency USD		Declared Value for Carriage USD 84300.00		Declared Value for Customs USD 84300.00		
To By First Carrier UNITED AIRLINES		By HKG		By CAN		
Currency USD		Declared Value for Carriage USD 84300.00		Declared Value for Customs USD 84300.00		
To By First Carrier UNITED AIRLINES		By HKG		By CAN		
Currency USD		Declared Value for Carriage USD 84300.00		Declared Value for Customs USD 84300.00		
Handling Information PLEASE NOTIFY CONSIGNEE UPON ARRIVAL						
These commodities, technology or software were exported from the United States in accordance with the Export Administration Regulations. Ultimate destination CHINA				Dimension category to U.S. Law prohibited		
				SCI		
NO OF Pieces PCP	Gross Weight	Net Weight	Chargeable Weight	Rate Charge	Total	Nature and Quantity of Goods (incl. Dimensions and Values)
250 CTNS	8055.61 lbs 3654.00 kg		3654.00	1.35	4932.90	CONSOL AS PER ATTACHED MANIFEST  250x12"x14"x13"
250	8055.61 lbs 3654.00 kg				4932.90	
Total		4932.90		.00		Other Charges
Total		4932.90		.00		SECURITY SURCHARGE 493.30 FUEL SURCHARGE 493.30
Total		.00		.00		Shipper certifies that the goods are the basic fare covered and that, insofar as any part of the consignment contains dangerous goods, each part is properly described by name and is in proper condition for carriage by air according to the applicable dangerous goods regulations.
Total		986.60		.00		SAMPLE AGENT
Total		5919.50		.00		Signature of Shipper or his Agent
Total		5919.50		.00		11/19/03 LOS ANGELES SAMPLE AGENT

# Sample of HAWB



LAXCAN-676542

Shipper's Name and Address GERGY INC. 9133 S. LA CIENEGA BLVD., STE 170 INGLEWOOD, CA 90301		Shipper's Account Number 123546		Not Negotiable <b>Air Waybill</b> issued by <b>BLUE SEA SHIPPING</b> 841 SANDHILL AVE CARSON, CA 90746				
Consignee's Name and Address CHINA INTERNATIONAL USA ROOM 801-807, DONG SHAN PLAZA 68 XIAN LIE ZHONG ROAD GUANGZHOU, CHINA		Consignee's Account Number 464536		Copies 1, 2 and 3 of this Air Waybill are originals and have the same validity. No space on this form is to be used for marking receipts to be made of goods until such conditions as to receipt shall be made by subject to the conditions of contract on the reverse hereof. ALL GOODS MAY BE CARRIED BY ANY OTHER MEANS INCLUDING ROAD OR ANY OTHER CARRIER UNLESS SPECIFIC CONTRARY INSTRUCTIONS ARE GIVEN HEREON BY THE SHIPPER, AND SHIPPER ACCEPTS THAT THE SHIPMENT MAY BE CARRIED VIA UNDESIGNATED STOPPING PLACES WHICH THE CARRIER DEEM APPROPRIATE. THE SHIPPER'S ATTENTION IS DRAWN TO THE NOTICE CONCERNING CARRIER'S LIABILITY OF LIABILITY. SHIPPER HAS INDICATED THE NUMBER OF PACKS BY INCLUDING A FIGURE IN THE CARRIER'S AND/OR THE SHIPPER'S/SHIPPER'S PLACE.				
Issuing Carrier's Agent Name and City BLUE SEA SHIPPING 841 SANDHILL AVE CARSON, CA 90746		Agent's IATA Code		Account No.		Accounting Information		
Airport of Departure (Abb. of Int. Carried and Requested Routing) LOS ANGELES LAX		Amount of Insurance MARWB 016-2354-5463						
To	By First Carrier	to	by	to	by	Currency	Declared Value for Carriage	Declared Value for Customs
CAN	UNITED AIRLINES	HKG	UA	CAN	UA	USD	94300.00 USD	
Airport of Destination GUANGZHOU BAYUN CAN		Rate		Amount of Insurance NIL		Reference - if under other insurance, and such insurance is required in accordance with the conditions thereof, indicate amount to be insured in favor of the carrier (percent of insurance).		
Handling Information PLEASE NOTIFY CONSIGNEE UPON ARRIVAL								
These commodities, technology or software are exported from the United States in accordance with the Export Administration Regulations. Ultimate destination		CHINA		Diversion contrary to U.S. Law prohibited		601		
No. of Pieces BCP	Gross Weight	Net Weight	FMM Class	Chargeable Weight	Rate Charge	Total	Nature and Quantity of Goods (incl. Dimensions and Volume)	
250 CTNS	8056.00L 3654.170K			3654.00	1.82	6650.28	COMPUTER PARTS 250x12"x14"x12"	
250 CTNS	8056.61L 3654.00K					6650.28		
Freight		Weight Charge		Other Charges				
		4932.90		.00				

# Limitations of Carrier Liability



- Usually, carrier liable for all loss, damage, or delay (limited to certain value) to the goods except the following:
  - Act of God
  - Act of public enemy
  - Act of shipper
  - Act of public authority
  - Inherent nature of goods



# Today's Problem

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- The documents required would include the following:
  - Bill of Lading
  - Commercial Invoice
  - Packing List
  - Certificate of Origin



# Today's Problem



- Export documents must be checked thoroughly before moving the shipments. The information must be correct
- Among all export documents, the most common ones are:
  - Commercial invoice
  - Packing List
  - Country of Origin
  - Bill of Lading / Air Waybill
- Completed B/L (see excel)



# Learning Outcome

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- Types of Export Documentation for Air Freight and Sea Freight
  - Commercial Invoice
  - Packing List
  - Certificate of Origin
  - Bill of Lading / Air Waybill
  - Export License/Declaration
- Commonly Used Terms in Export Documentation