

# *International Shipping Terms*

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**AGENT** – One who negotiates contracts or acts in the legal capacity of another party.

**AIR CARGO** – Any property carried, or to be carried, in an aircraft, excluding passenger baggage.

**AIRWAY BILL** – Also called air consignment note. A bill of lading issued by the airline acknowledging receipt of merchandise, indicating conditions of cartage and issued only in non-negotiable form.

**ARRIVAL NOTICE** – A document issued by railroads, airlines and maritime services identifying the shipment is sent to the consignee or their agent and informing consignee/agent of cargo's arrival.

**ATA CARNET** – An international Customs document issued by authorized Chambers of Commerce allowing temporary admission of goods in many foreign countries without the need for bonds, deposits/guarantees, duty and Customs formalities.

**BANK GUARANTEE CASH DEPOSIT** – Payable by the exhibitor to the forwarder, Customs agent or official authorities in place of a temporary import bond to ensure the amount requested is the minimum amount of import duties and taxes which would be paid in case of final import.

**BILL OF LADING (B/L)** – A contract between a shipper and a carrier providing proof that the merchandise was transferred from the shipper to the consignee and that the carrier has assumed responsibility for the cargo until it is delivered.

**BONDED WAREHOUSE** – A warehouse approved by Customs into which non-cleared goods may be placed.

**CARTAGE AGENT** – Ground service operator who provides pickup and delivery in areas not served directly by air carrier.

**CERTIFICATE OF ORIGIN** – A document certifying the origin of goods.

**CIF** – Cost plus insurance plus freight = CIF value. A pricing term indicating the cost of goods, insurance and freight are included to establish CIF value.

**COMMERCIAL INVOICE** – An invoice required to be presented to Customs representing one shipment of merchandise by one consignor to one consignee clearly identifying the product for classification and appraisal purposes.

**CONCEALED DAMAGE** – Damage to merchandise that is not discovered until the shipment is unpacked.

**CONSIGNEE** – A party to whom goods are delivered.

**CONSOLIDATION** – A combination of many small shipments into one shipment, often with more than one consignee.

**CONTAINER DETENTION** – A charge which is assessed when the container is removed from the carrier's control but is not returned within the allowable free time.

**CUSTOMHOUSE BROKER (U.S.)** – A person or firm licensed by the Treasury Department engaged in entering and clearing goods through Customs.

**CUSTOMS** – A government authority designated to regulate the flow of goods to and from a country and to collect duties levied by a country on imports and/or exports. The term also applies to the procedures involved in such collection.

**DANGEROUS GOODS** – Articles or substances that are capable of posing a significant risk to health, safety or property when transported and which are classified according to the most current editions of ICAO Technical Instructions for the Safe Transport of Dangerous Goods and the IATA Dangerous Goods Regulations.

**DECLARED VALUE (CARTAGE)** – The value of goods declared to the carrier by the shipper for the purposes of determining charges or establishing the limit of carrier's liability for loss, damage or delay.

## International Shipping Terms, continued

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**DOCK RECEIPT** – A receipt given for a shipment received or delivered at a pier. When delivery of a foreign shipment is completed, the dock receipt is surrendered to the vessel operator or his agent and serves as the basis for the preparation of the Ocean Bill of Lading.

**DUTIES** – The sum of money assessed by a country's fiscal authorities to discourage imports.

**EC** – European Community.

**EXPORT LICENSE** – A permit required to engage in the export of certain commodities to certain destinations. Lists of such goods are found in the comprehensive Export Schedules issued by the Bureau of Foreign Commerce.

**FOODSTUFF/EDIBLES** – Imports are subject to sanitary/veterinary health certificates. Live animals/plants may be quarantined.

**FUMIGATION** – Required in some countries for live plants and wooden packing.

**GST** – Goods and services taxes.

**HARMONIZED SYSTEM** – International commodity description and classification referencing system. Formerly known as Schedule B.

**OCEAN BILL OF LADING** – A receipt for cargo and a contract for transportation between a shipper and the ocean carrier.

**PERMANENT IMPORT** – In case of sales, with payment of duties and VAT, or in case of free distribution, disposable or consumables usually exempted from payment of duties and VAT depending on each country. Quantity and value exempted at discretion of Customs authorities.

**PIER DEMURRAGE** – A charge assessed when the container is removed from the carrier's control and is not returned within the allowable free time.

**POWER OF ATTORNEY (POA)** – A "grant of authority" from the principal (importer) to the agent (broker) to perform certain acts on the principal's behalf. A Power of Attorney is required by a broker to perform those activities, defined as "Customs business," on behalf and in the name of a principal.

**PROHIBITED CARGO** – Goods restricted by international convention. Also refers to drugs, weapons and ammunitions.

**RATE OF EXCHANGE** – The rate of currency exchange established daily as the buying rate of foreign currency by the Federal Reserve Bank. The daily rate is used only when it varies by more than 5 percent from the quarterly rate. When applicable, the daily rate is the rate certified on the day of exportation.

**SHIPPER'S EXPORT DECLARATION** – A form required by the Treasury Department and completed by the shipper showing the value, weight, consignee, destination, etc. of export shipments as well as the Schedule B identification number.

**TEMPORARY IMPORT** – Exhibition material whose temporary import status exempts payment of duties and taxes on arrival.

**TEMPORARY IMPORT BOND/DEPOSIT (TIB)** – Articles not imported for sale, admitted into the U.S. on a temporary basis without the payment of duty, under bond for their exportation.

**TIR CARNET** – Similar to an ATA Carnet, but used for trucks from non-EC countries to EC countries or for transit between non-EC countries. Can be used for different unloading locations. Trucks must be sealed by Customs.

**VAT** – Value Added Tax. VAT applies to all EC countries, Switzerland and other countries around the world. The percentage applies to CIF value and duties and the percentage differs from one country to another. Local VAT on forwarding/handling services is not charged between EC companies with a registered VAT number or to non-EC exhibitors on condition the local forwarder executes Customs clearance and transport.