



# P07 The Right Documents

- Explain the types of export documentation for air freight and sea freight
  - Bill of Lading
  - **Packing List**
- Commercial Invoice
- Air Waybill
- Certificate of Origin Export License/Declaration
- Describe the commonly used terms in export documentation

### School of **Engineering**

**E216 Distribution** &Transportation











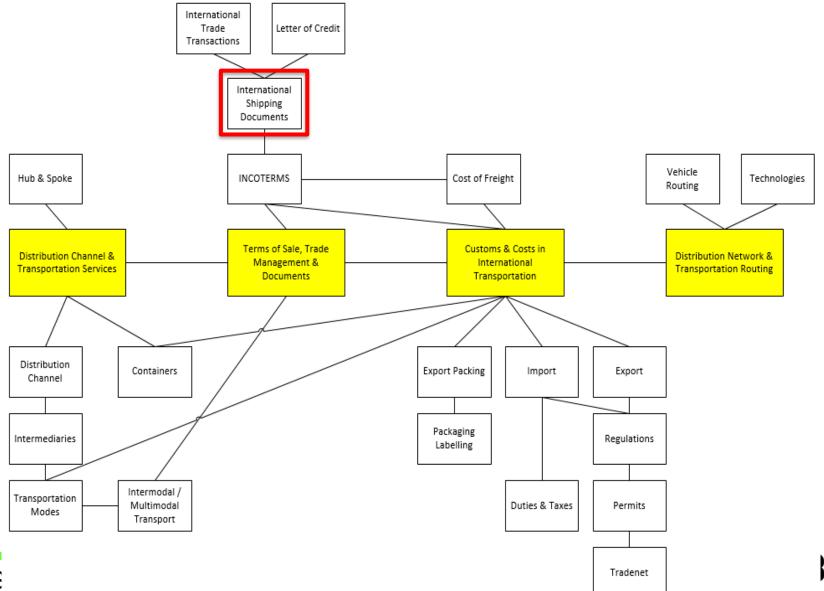






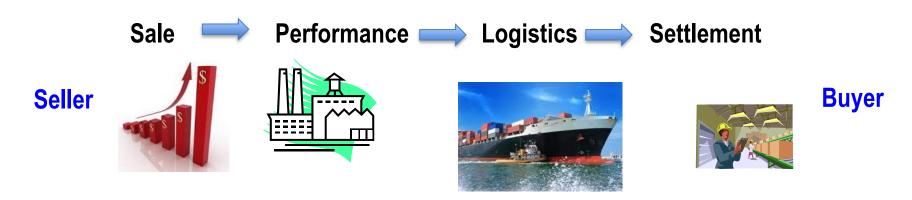
# E216 Distribution & transportation - Topic Tree





# Main Phases of International Purchases





- 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



- 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



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



# Bill of Lading (B/L)



- 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 a Bill of Lading (B/L)



BILL OF L	ADING FOR	сомв	INED TRANSI SHIPME		прм	ENT	OR PORT T	O PORT
Shipper Domeg (Pty) Limited Adderley Road, North End Port Elizabeth		BL No. PLZAA329 Reference No.						
Consignee or Order  To order (1)			4	"ON'	'SH	IP		
Nouty Party/Address Hardware Supplie Cross Avenue New York	his Agents for field		subdity shall attach i . (See classe 20 on rev		ror	(Appli	of Receipt icable only when the ined Transport Bill	n document is used as a of Lading)
Ocean Vessel Transvaal (2)	Voyage Not 1378G		Port of Louding Port Elizabeth	(3)	(App	licable	clivery only when this di transport Bill of Lad	ocument is used as a log)
Port of Discharge New York (3)								
MK 25Z (4) Container No. GS Seal No. 388487		500 I with 5 Par	DC Container( Hacksaws Mod Safety Guard	(5)	)		280 kg	0.0000
Freight and Charges (its collect): Freight Pre Origin Island Hashing Char Origin Terminal Handling L. Ocean Freight. Destination Terminal Handling Destination Island Handling payable at Port El Number of Original Balls of	0 -FCL bear whether pre- paid (8) pr CL Service Charge ring LCL Service Ch Charge	by the	otherwise noted her indicated in the box Camer' for Carriaga REVESSE HEREO Mem the Place of R Discharge or the R man be surroudered Lading the Merchan printed, stamped or this Bill of Lading to Port Elizabett IN WILNESS of the box issued, care of You fine Carrier.	mier from the mit the sotal a opposite continue subject to al AND THE cocept or the next of Deliver and the subject to al AND THE cocept or the next of Deliver and the subject of the sub	umber of the left in the terminal in the termi	er qualiforal Nomes har to the Transit August against	ary of Containers or , of Containers Fa- soci (NCLUDING) IE CARRIER'S Al  go whichever is ago in applicable. Our e for the Goods.  There is all terms a  crated, notwithstam.	
			For "On" Ship As Carrier	(1	1)			-

# Common Types of B/L



- Combined Transport B/L carrier's 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's 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
- 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
- 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



### 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

### 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.

### 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 (e.g. Letter of Credit, payment on delivery, etc.)

# Sample of a Commercial Invoice



#### BP Oil Asia Pte Ltd

#### Commercial Invoice

Allied Mining Services Pte Ltd

Invoice No: SO 1103048

Cross Street #11-00

GST No. 20-0222223B

Singapore

Date: 1 July 2011

Shipment Date: 15 July 2011

#### Project batch 3

ITEM	PRODUCT	QUANTITY (LITRES)	UNIT OF MEASUREMENT PACKING	UNIT PRICE USS	TOTAL AMOUNT USS
1	BP Ultra API 15W40	17,000	BULK (IBC)	\$2.00	34,000.00
2	BP Ultra API SAE 30	20,000	BULK (IBC)	\$1.82	36,400.00
3	BP Ultra API SAE50	1,000	BULK (IBC)	\$2.05	2,050.00
	TOTAL				72,450.00

#### UNITED STATES DOLLARS SEVENTY TWO THOUSAND FOUR HUNDRED FIFTY ONLY

Terms & Conditions: FOB SINGAPORE

Time of shipment: within 30 days after seller receipt of payment by TT remittance.

Port of leading: Singapore

Place of Delivery: Pacific Island

Term of Payment: 30% down payment by TT in advance, net of all charges and 70% payment before shipment, in favour of BP Oil Asia as per bank account no: 0029-111222-211 with DBS BANK LTD, Singapore.

Validity: 13 July 2011

Yours faithfully,

BP OIL Asia Pte Ltd

### Other Documents



#### 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 B/L

### Consular invoice/special customs invoice

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

# Sample of a Packing List



#### BP Oil Asia Pte Ltd

#### Packing List 1 of 2

Name: Allied Mining Services Ptc Ltd

Sales No: SO 1103048

Container/Seal: FSCU 3362532/ Seal No. 033494

Name of Vessel:	MSC Freedom	Notify Party:	Allied Mining Services
Port of loading	Singapore	Packing:	BULK (IBC)
Date of supply	6 July 2011		

S/N	ITEM DESCRIPTION	SEAL NUMBERS	PKG (1,000L)	QTY	GROSS WT (KGS)	NET WT (KGS)
	BP Ultra API SAE 30	0019001-02	IBC	1	934	874
2	BP Ultra API SAE 30	0019003-04	IBC	1	934	874
3	BP Ultra API SAE 30	0019005-06	IBC	1	934	874
4	BP Ultra API SAE 30	0019007-08	IBC	1	934	874
5	BP Ultra API SAE 30	0019009-10	1BC	1	934	874
6	BP Ultra API SAE 30	0019011-12	IBC	1	934	874
7	BP Ultra APESAE 30	0019013-14	IBC	1	934	874
8	BP Ultra API SAE 30	0019015-16	IBC	1	934	874
9	BP Ultra API SAE 30	0019017-18	IBC	1	934	874
10	BP Ultra API SAE 30	0019019-20	TBC	1	934	874
11	BP Ultra API SAE 30	0019023-22	IBC	1	934	874
12	BP Ultza API SAE 30	0019023-24	IBC	1	934	874
13	BP Ultra API SAE 30	0019025-26	IBC	1	934	874
14	BP Ultra API SAE 30	0019027-28	1BC	1	934	874
15	BP Ultra API SAE 30	0019029+30	1BC	1	934	874
16	BP Ultra API SAE 30	0019031-32	IBC	1	934	874
17	BP Ulua API SAE 30	0019033-34	IBC	1	934	874
18	BP Ultra API SAE 30	0019035-36	IBC	1	934	874
19	BP Ultra API SAE 30	0019037-38	IBC	1	934	874
	TOTAL		IBC	19	17,746	16,606

Contractor's Name		For BP Oil Asia Ptc	Ltd
Mediterranean	Shipping		
		STAMP BY SHIPPI	ER:

# Commonly Used Terms



- 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



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

# Airway Bill (AWB)



- Purpose similar to that of B/L, but used in airfreight
- Provides all the information that 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)



- 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)



- 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	Shipper's Aco	urt Number		r Waybill	utha 12 - 27 -	
UNITED AIRLINES			bou	UNITED A		
1234 N.W 12 ST MIAMI, FI 31212				LOS ANGE	LES, U	AFUHNIA
			-			m originals and have the same validity.
Consigner's Name and Address	Consigner's Ac	ount Number	descri	ata can beliefor cardian	SUBJECTS	IN the bodaybed in high probabilistic control constitutes for the constitution of constitution that is carried by any other balances (100 bec 100 bec
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Issuing Carler's Agent Name and City			Accou	etting Information		
BLUE SEA SHIPPING 841 SANDHILL AVE CARSON, CA 90746						
Agents WTA Code	Account No.		1			
Risport of Departure (Adds. of Fish Carried	and Re-quested Routing		-			
LOS ANGELES LAX						
To ByfineComer to be CAN UNITED AIRLINES	HKG UA	ts by	Camer	Cham And A	CHI US	cland Value for Carriage   Decland Value for Customs SD 84300.00
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# Sample of HAWB



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Shipper's Name and Address GERGY INC. 9133 S. LA CIENEGA BLVD., STE INGLEWOOD, CA 90301	Shipper's Account in	12354	Air Waybill BLUE SI Issuedby 841 SANI CARSON	HILL AV	E	
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# **Limitations of Carrier Liability**



- Usually, carrier is 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



- The documents required would include the followings:
  - Bill of Lading
  - Commercial Invoice
  - Packing List
  - Certificate of Origin
- Export documents must be checked thoroughly before moving the shipments. The information must be correct
- Among all export documents, the most common ones are:
  - Bill of Lading / Air Waybill
  - Commercial invoice
  - Packing List
  - Certificate of Origin

# Today's Problem - Completed B/L



(( ))[N][[5]	gistics PTE. LTD.	BILL OF LADING No.					
	South Ave 2	NON-NEGOTIABLE COPY					
Singapore		1487531912817400					
Phone: 61	122-1545 Fax: 6122-1454						
SHIPPER		Received by the carrier in a present good order and conditi	ion (unless				
Cooper Publisher		otherwise stated herein). The total number packages or unit	s stuffed in				
No. 10 Woodland Avenue 7		the container, the description of the goods, and the weight	shown in this				
Singapore		Bill of Lading are furnished by the merchants, and which the	carrier has no				
		reasonable means of checking and is not part of this Bill of	Lading contract.				
CONSIGNEE		No of Original B/L					
Mini Books Corp		3					
430 Collins Street, Melbourn	e VIC 4000, Australia	VESSEL & VOYAGE NO					
Tel: +61 1300 857 862 Fx: +6	1 1300 857 972	SLL SEAGULL/VOY 183V					
NOTIFY PARTY		BOOKING REF. (or) SHIPPER REF.					
Mini Books Corp							
430 Collins Street, Melbourn	e VIC 4000, Australia			[ ]			
Tel: +61 1300 857 862 Fx: +6	1 1300 857 972						
PORT OF LOADING		PLACE OF RECEIPT					
Singapore		C.Y. (Container yard)					
PORT OF DISCHARGE		PLACE OF DELIVERY					
Port of Melbourne, Australia		C.Y. (Container vard)					
Container Number, Seal Number, and Marks	Description of Packages and (	Goods	Gross Weight	Measurement			
MSCU 1254567	1 × 40 Ft		13,520 KG	21.29 cbm			
Seal MS 9876	Said to contain 1,690 cartons o						
	Shipper's Load Stow and Cou	int					
ABC							
¥1690 to							
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of cartons							
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# **Learning Outcomes**



- Explain the types of export documentation for air freight and sea freight
- Describe the commonly used terms in export documentation

