

Glossary of terms

Standard terms and abbreviations A-Z

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Incoterms 2000

A

@	At (referring to price). From (referring to the sailing of a ship)
AA	Always Afloat
AAA	Association of Average Adjusters
AAD	Administrative Accompanying Document
A/B	Aktiebolaget (Swedish registered company)
A-BCC	Arab-British Chamber of Commerce
ABI	Association of British Insurers
ABP	Associated British Ports
ABS	American Bureau of Shipping
A/C	Account
Acceptance	This term has several related meanings: [1] A time draft (or bill of exchange) that the drawee has accepted and has to pay when it matures. Once the draft is presented for acceptance, the drawee then becomes the “acceptor” for payment. The word “accepted” and the date and place of payment must be written on the face of the draft. [2] The drawee’s act in receiving a draft, which commits them to pay its value when it matures. [3] Broadly speaking, any agreement to purchase goods under specified terms. An agreement to purchase goods at a stated price and under stated terms.
ACEP	Approved Continuous Examination Programme
ACMET	Advisory Council on Middle East Trade
ACP	African Caribbean and Pacific States
Ad Valorem	According to value. See Duty.
ADB	Asian Development Bank
ADP	Automatic Data Processing
ADR	The European Agreement on the ‘International Carriage of Dangerous Goods by Road’.
Advance Against Documents	A loan that is secured against the documents covering a shipment.
Advising Bank	A bank, operating in the exporter’s country, that handles letters of credit for a foreign bank. This bank will notify the exporter that the credit has been opened in its favour. Although the advising bank must inform the exporter of the conditions of the letter of credit, they are not necessarily responsible for payment.

Advisory Capacity	A term indicating that a shipper’s agent or representative doesn’t have the power to make a decision or adjustment without a shipper’s approval. Compare Without Reserve.
A/E	Abbreviated Entry
AF	Advanced Freight
AFNOR	The French Standards Institute
AG	Aktiengesellschaft (German Company)
Agent	See Foreign Sales Agent.
AGVS	Automated Guided Vehicle System
AICS	Associate of the Institute of Chartered Shipbrokers
AID	Agency for International Development
AIM	Automatic Identification Manufacturers
Air Waybill	This is a bill of lading that covers both domestic and international flights which transport goods to a named destination. In effect, the bill represents a receipt for the shipper, indicating that the carrier has accepted the goods listed and has committed to deliver them to a named airport within certain pre-arranged conditions. It is a non-negotiable document. Compare Inland Bill of Lading, Ocean Bill of Lading, and Through Bill of Lading.
ALADI	Spanish abbreviation for Latin American Integration Association
Allonge	An attachment to a Bill of Exchange containing endorsements. This is used when the back of the bill has been completed.
Alongside	Beside a ship. Goods that are delivered ‘alongside’ are placed on the dock or barge within reach of the transport ship’s tackle. This means they can be loaded aboard the ship more easily.
AN	Advice Note
ANCOM	Andean Common Market
ANF	Arrival Notification Form
AP	Additional Premium
APR	Annual Percentage Rate
APT	Advanced Passenger Train/After Peak Tank
AQL	Acceptable Quality Level
ARA	Antwerp, Rotterdam and Amsterdam range of ports
Arbitrage	Buying foreign exchange, stocks, bonds, and other commodities in one market, then immediately selling them in another market at higher prices.
ARPS	Automatic Radar Plotting System

Arr	Arrival
A/S	[1] After Sight. [2] Alongside (a/side).
ASA	American Standards Association
ASBA	Association of Shipbrokers and Agents
ASB	Alternative Side-Band
ASEAN	Association of South-East Asian Nations
AST	Average Spring Tides
At Sight	See Sight Draft.
ATA	Actual Time of Arrival
ATA Carnet	See Carnet.
ATP	European Agreement on the International Carriage of Perishable Goods
ATR	Temporary Admission on Wheels (Admission Temporaire Roulette)
ATSBE (atsbe)	All Time Saved at Both Ends
ATSDO (atsdo)	All Time Saved Discharging Only
ATSLO (atslo)	All Time Saved Loading Only
ATT	Admiralty Tide Tables
Av or Avg	Average
A/V	Ad Valorem (according to value)
AWB	Air Waybill
AWES	Association of Western Shipbuilders
Az	Azimuth

B

BA	British Airways
BAA	British Airports Authority
BACA	Baltic Air Charter Association
BACS	Banker's Automated Clearing System
BAF	Bunker Adjustment Factor
Balance of Trade	The difference between a country's total imports and exports. If exports exceed imports, there's a positive balance of trade or trade surplus; if not, there's trade deficit.
Barter	Trade without money in which goods are exchanged directly for other goods. Barter is an important means of trade between countries that have currencies which are not easily convertible.
BASEEFA	British Approvals Service for Electrical Equipment in Flammable Atmospheres
BBB	Before Breaking Bulk
BCC	British Chambers of Commerce
BCN	Banker's Cover Note
Bd	Bond
B/d	Brought down

B/D	[1] Bar Draft. [2] Banker's Draft.
Bdi	Both dates inclusive
B/E	[1] Bill of Entry (customs). [2] Bill of Exchange.
BEA	British Exporters Association
BEMAS	Buoy Monitor and Alarm System
Beneficiary	The person in whose favour a letter of credit is issued or a draft is drawn.
Benelux	A Customs Union between Belgium, the Netherlands and Luxembourg
Bf or B/fwd	Brought Forward
B/G	Bonded Goods
BIFA	British International Freight Association
Bill of Entry	A written description of the nature and value of goods for customs purposes.
Bill of Exchange	A written unconditional order from one person (the drawer) to another (the drawee). The bill directs the drawee to pay a specified amount to a named drawer at a fixed or yet to be agreed future date.
Bill of Lading	A contract between a shipper and a transport company setting out the charges and conditions for moving freight. The bill is usually prepared by the shipper on forms issued by the carrier. It represents a document of title, a contract of carriage, and a receipt for goods. Also see Air Waybill, Inland Bill of Lading, Ocean Bill of Lading, and Through Bill of Lading.
BIMC	Baltic and International Maritime Conference
Bkg	[1] Banking. [2] Breakage.
Bkge	Brokerage
Bkrpt	Bankrupt
B/L or b.l.	Bill of Lading
BLEU	Belgium-Luxembourg Economic Union
BM	Board Measure
BMF	British Marine Federation
BMEC	British Marine Equipment Council
BMLA	British Maritime Law Association
BO	[1] Buyer's Option. [2] Branch Office.
Bonds/Guarantees	An irrevocable commitment by a bank to make payment provided the terms of the bond or guarantee are met
Bonded Warehouse	A warehouse that has been authorised by Customs authorities to store goods which haven't paid any duty.

B/P	Bills Payable
BPB	Bank Post Bill
B/R	Bills Receivable
B/S	Bill of Sale
BSC	British Shippers Council
BSI	British Standards Institution
BSS	British Standard Specification
BST	British Summer Time
BTC	British Transport Commission
BTG	British Transport Group
Bunker Adjustment Factor	Fuel surcharge on standard or quoted rates, usually based on consignment weight.
Buying Agent	See Purchasing Agent.
By collection	Drafts or cheques paid by collection are returned to the bank on which they were drawn to be paid.
By negotiation	Drafts or cheques paid by negotiation are paid immediately.
BV	Bureau Veritas

C

C CI	Continuation Clause
C Dk	Containers Carried on Deck
C/nee	Consignee
C of C	Chamber of Commerce
C&D	Collected and Delivered
C&E	Customs and Excise
C&F	Cost and Freight (now obsolete – superseded by CFR – see also Incoterms 2000)
CA	Compensatory Agreement
CAA	Civil Aviation Authority
CAAC	Customs and Allied Affairs Committee
CAB	Civil Aeronautics Board (USA)
CACM	Central American Common Market
CAD	[1] Cash Against Documents. [2] Commercial Agents Directive.
CAF	Currency Adjustment Factor
CAN	Customs Assigned Number
CANDF	Cost and Freight to Foreign Port
CAP	Common Agricultural Policy
CARICOM	Caribbean Community and Common Market
CARIFTA	Caribbean Free Trade Association
Carnet	A customs document that permits the holder to temporarily carry or send goods into certain foreign countries without

paying duties or posting bonds. Carnets help businesses display and demonstrate their services.

Cash Against Documents (CAD)

A particular sort of payment for goods. A commission house or another intermediary transfers title documents to the buyer when they receive a cash payment.

Cash In Advance (CIA)

In this type of payment for goods, the buyer pays the full price before shipment is made. This method is usually only used for small purchases or when the goods are built to order.

Cash With Order (CWO)

A payment method for goods in which the buyer pays when ordering. The transaction is binding on both parties.

CASS

Cargo Accounts Settlement System

CBD

Cash Before Delivery

CBI

Confederation of British Industry

Cbm

Cubic Metre

CC

Continuation Clause, Civil Commotion

CC/O

Certificate of Consignment/Origin

CCC

Customs Co-operation Council

CCCN

Customs Co-operation Council Nomenclature

CCE

Collector of Customs and Excise

CCLN

Consignment Note Control Label Numbers

CCT

Common Customs Tariff

CD

Customs Declaration

C/D

[1] Commercial Dock.
[2] Customs declaration.
[3] Consular declaration.

CDV

Current Domestic Value

CENSA

Council of European and Japanese National Shipowners' Association

Cert.

Certificate

Certificate of Inspection

A document certifying that merchandise was in good condition just before it was shipped. This is often used with perishable goods.

Certificate of Manufacture

A statement (often notarised) in which a manufacturer certifies that the goods are made and available to the buyer.

Certificate of Origin

A document certifying the country of origin of specified goods. It is used by certain foreign countries for tariff purposes.

CET	[1] Central European Time. [2] Common External Tariff (customs).	CIFLt	Cost Insurance and Freight, London terms.
cf (cu ft)	Cubic Feet	CIM	International convention governing international rail carriage
Cf or C/fwd	Carried Forward	CIP	Carriage and Insurance Paid To. But see Incoterms 2000.
CFR	Cost and freight. A pricing term indicating that the cost of the goods and freight charges are included in the quoted price. The buyer arranges and pays insurance. But see Incoterms 2000.	CIPA	Chartered Institute of Patent Agents
CFS	Container Freight Station	CIRM	International Maritime Radio Association
CFTC	Commodity Futures Trading Commission (USA)	CIT	Chartered Institute of Transport
CGA	Cargo's Proportion of General Average	CITHA	Confederation of International Trading Houses Associations
Cge Pd	Carriage Paid	C/L	Craft Loss
CGSA	Carriage of Goods by Sea Act	CLA	Cargo Loading Adaptability
CH	Customs House	CLASS	Cargo Loading and Scheduling System
Ch Fwd	Charges Forward	Clean Bill of Lading	A receipt for goods issued by a carrier. The bill indicates that the goods were received in "apparent good order and condition", without damages or other irregularities. Compare Foul Bill of Lading.
Ch Pd	Charges Paid	Clean Draft	A draft to which no documents have been attached.
CHAPS	Clearing House Automated Payment System	CLECAT	European Liaison Committee of Common Market Forwarders
Charges Forward	Charges payable by the consignee on arrival.	CMR	Convention on the contract for the International Carriage of Goods by Road
Charter Party	A written contract, usually on a special form, between the owner of a vessel and a "charterer" who rents use of the vessel or a part of its freight space. The contract generally includes the freight rates and the ports involved in the transportation.	C/N	[1] Consignment Note. [2] Cover Note.
CHIEF	Customs Handling of Import/Export Freight	CO or C/O	[1] Certificate of Origin. [2] Cash Order.
CHINPAC	China Sea, Indian and Pacific Oceans	COCOM	Co-ordinating Committee on Export Controls (NATO)
CHIPS	Clearing House Inter-bank Payments System	COD	Cash on Delivery
CHO	Containers Carried in Holds	Cof	Cost of Funds
Chq.	Cheque	COFACE	Compagnie Francaise pour l'Assurance du Commerce Exterieur (credit insurance company)
C/I	Consular Invoice, Channel Islands, Certificate of Insurance	Collection Papers	All documents (commercial invoices, bills of lading, etc.) given to a buyer to receive payment for a shipment.
Cia	Spanish word for company	Collections	A secure, universally recognised method for routing trade documentation through the banking system.
CIA	Cash In Advance	Com/I	Commercial Invoice
CIE	Committee on Invisible Exports	COMECON	Council for Mutual Economic Aid
CIF	Cost, insurance, freight. A pricing term indicating that the cost of the goods, insurance, and freight are included in the quoted price. See Incoterms 2000.	COMET	Committee of Middle East Trade
CIF&C	Cost, Insurance, Freight and Commission	COMEX	Commodity Exchange (New York)
CIF&E	Cost, Insurance, Freight and Exchange	COMITEXTIL	Co-ordinating Committee for the Textile Industry in the UK
CIF&I	Cost, Insurance, Freight and Insurance	Commercial Invoice	An itemised list of goods shipped, usually included among an exporter's collection papers.
CIFC & 5	Cost, Insurance, Freight, including 5% Commission		
CIFC&I	Cost, Insurance, Freight, Commission and Interest		

Commission Agent	See Purchasing Agent.
Common Carrier	An individual, partnership, or corporation that transports persons or goods for compensation.
Community Transit	Regime for shipping goods from one European Union country to another when not in free circulation. It also includes transit by road to one of the EFTA countries: Poland, Hungary or the Czech or Slovak Republics. It involves the use of transit form C88 (the SAD form). The requirements also apply to certain shipments to and from Andorra, San Marino and the Channel Islands (but not for shipments between the UK and the Channel Islands). The term also covers goods that are subject to EU control, for example under CAP regulations for agricultural produce.
Confirmed Letter of Credit	A letter of credit, issued by a foreign bank, which has been validated by a UK bank. An exporter with a confirmed letter of credit will be paid by the UK bank even if the foreign buyer or the foreign bank defaults, provided the CLC's terms and conditions are fully met.
Consignee	The party receiving the goods.
Consignment	A shipment or delivery of goods sent at one time. Compare also (goods sold) on consignment.
Consignment Account	See on consignment.
Consignor	The sender of the goods.
Consular Declaration	A formal statement made to the consul of a foreign country describing goods to be shipped.
Consular Invoice	A document required by some foreign countries describing a shipment of goods and showing information such as the consignor, consignee and value of the shipment. Certified by a consular official of the foreign country, it is used by the country's Customs officials to verify the value, quantity, and nature of the shipment.
Convertible Currency	A currency that can be bought and sold for other currencies.
Correspondent Bank	A bank that, in its own country, handles the business of a foreign bank.
COT	Customer's Own Transport
COU	Clip-On Unit
Countertrade	Goods or services that are paid for or part paid for by transferring goods or services from a foreign country. (See Barter.)

Countervailing Duty	A duty imposed to counter unfairly subsidised products.
CP	[1] Commonwealth Preference. [2] Commercial Paper.
C/P	Charter Party
CPC	Customs Procedure Code
Cpd	Charterer pays dues
CPT (Carriage Paid To) and CIP (Carriage and Insurance Paid to)	Pricing terms indicating that carriage, or carriage and insurance, are paid to the named place of destination. For shipment by other methods than sea, they apply in place of CFR and CIF, respectively. But see Incoterms 2000.
CR	[1] Current Rate. [2] Carrier's Risk. [3] Compound Risk.
Credit Risk Insurance	Insurance designed to cover risks of non-payment for delivered goods. Compare Marine Insurance.
CRF	Clean Report of Findings
CRN	Customs Registered Number
C/S	Currency Surcharge
CSC	Convention for Safe Containers
CT	Counter Trade
CTD	Combined Transport Document
Ctge	Cartage
CTO	Combined Transport Operator
Customhouse Broker	An individual or firm licensed to enter and clear goods through Customs.
Customs	The authorities that collect duties levied by a country on imports and exports. The term also applies to the procedures involved in this sort of collection.
C/V	Certificate of Value
C/VO	Certificate of Value and Origin
CWE	Cleared Without Examination
CWO	Cash With Order
Cy	Currency

D

D/A	Documents against Acceptance
DAA	Discharge Always Afloat
DAD	Documents Against Discretion of Collecting Bank
DAF	Delivered At Frontier. But see Incoterms 2000.

Date Draft	A draft that matures in a specified number of days after the date it is issued, whatever date it is accepted. See also Sight Draft, and Time Draft.	Devaluation	The official lowering of the value of one country's currency in terms of one or more foreign currencies. For example, if the UK pound is devalued in relation to the US dollar, one pound will "buy" fewer dollars than before.
DB	Deutsche Bundesbahn (German Railways)	DF	Dead Freight
DBE	Dispatch Payable Both Ends	Dft	Draft
DBEATS	Dispatch Payable Both Ends on All Time Saved	DGN	Dangerous Goods Note
DBEWTS	Dispatch Payable Both Ends on Working Time Saved	DHD	Dispatch Half Demurrage
Dbk	Drawback	DIN	German Standards Institute
DC or D.CI	Detention Clause	DISC	Domestic International Sales Corporation
DC/ or D/CI	[1] Deviation Clause. [2] Documentation Collection.	Dischg	Discharging
DCCD	Delivered at Container Collection Depot	Discrepancy (Letter of Credit)	When documents presented do not conform to the letter of credit, it is referred to as a discrepancy.
DD	Damage Done	Dispatch	An amount paid by a vessel's operator to a charterer if loading or unloading is completed in less time than set out in the charter party.
Dd	Delivered	Distributor	A foreign agent who sells directly for a supplier and maintains an inventory of the supplier's products.
DD	[1] Dry Dock. [2] Direct Debit.	DKR	Danish Kroner
DD & Shpg	Dock Dues and Shipping	D/N	Debit Note
D/D	Days after Date	D/O	Delivery Order
DDA	Duty Deferment Account	Dock Receipt	A receipt issued by an ocean carrier to acknowledge receipt of a shipment at the carrier's dock or warehouse. See also Warehouse Receipt.
DDO	Dispatch Discharging Only	Documentary Draft	A draft to which documents are attached.
DDP	Delivered Duty Paid. But see Incoterms 2000.	Documents Against Acceptance (D/A)	Instructions given by a shipper to a bank, indicating that documents transferring title to goods should be delivered to the buyer (or drawee) only upon the buyer's acceptance of the attached draft.
DDU	Delivered Duty Unpaid. But see Incoterms 2000.	D/P	Documents Against Payment
Deb	Debenture	D/R	Deposit Receipt
Def.	Deferred	Draft	A written order by one party for a second party to make payment to a third party. They are paper-based payments which are normally ordered in advance and posted overseas.
Deferred Payment Credit	A type of letter of credit that defers payment until an agreed point after the shipping documents have been presented by the exporter.	Drawee	The individual or firm on whom a draft is drawn and who owes the stated amount. Compare Drawer.
Demand Draft	See Sight Draft.	Drawer	The individual or firm that issues or signs a draft, so standing to receive the stated amount from the drawee.
Dem-des	Demurrage and Dispatch	D/S	Days after Sight
Demurrage	[1] Liquidated damages which are payable under a charter party. These are paid at a specified daily rate for the days it takes to complete the loading or discharging of cargo after the lay days have expired. These are known as demurrage days. [2] Unliquidated damages to which a ship-owner is entitled if no lay days are specified and the ship is detained for loading or unloading beyond a reasonable time.	DSB	Danske Staatsbahn (Danish Railways)
DEPS	Departmental Entry Processing System		
DEQ	Delivered Ex Quay. But see Incoterms 2000.		
DES	Delivered Ex Ship. But see Incoterms 2000.		
Dest.	Destination		

DTI	Department of Trade and Industry
Dumping	Selling goods in another country at a price below the price at which they could be sold in the home market. Or selling goods at a price below the costs incurred in production and shipment.
Dunnage	Materials used for the stowage and protection of cargo.
Duty	A tax imposed on imports by the Customs authority of a country. Duties are generally based on the value of the goods (ad valorem duties); some other factor such as weight or quantity (specific duties); or a combination of value and other factors (compound duties).
DWC	Dead-weight Capacity (of vessel to carry cargo)

E

E&oe	Errors and omissions excepted
EAPE	Exchange as per Endorsement
EAR	Export After Repair
EC	European Community
ECA	Economic Co-operation Administration
ECC	[1] Exchange Control Copy. [2] Extended Cover Clause (insurance).
ECCP	East Coast Coal Port
ECGD	Export Credits Guarantee Department (UK)
ECI	Export Consignment Identifier
ECOFIN	Economic and Financial Affairs Council (EU)
ECPD	Export Cargo Packing Declaration
ECS	Echantillons Commerciaux (Commercial Samples)
ECSC	European Coal and Steel Community
ECSI	Export Cargo Shipping Instruction
ECT	Europe Combined Terminals- Rotterdam
EDCS	Electronic Data Capture Service
EDI	Electronic Data Interchange
EDIA	Electronic Data Interchange Association
EEA	European Economic Area
EFTA	European Free Trade Area
EFTPOS	Electronic Funds Transfer at Point of Sale
EHA	Equipment Handover Agreement
EHC	Export Health Certificate
EIB	European Investment Bank
EIC	EuroInfo Centre
EIMT	Express International Money Transfer
EIR	Equipment Interchange Receipt
EMA	European Monetary Agreement

EMS	Express Money Service
Encl.	Enclosures
Eohp	Except as otherwise herein provided
EOP	End of Passage
EPS	Entry Processing Station
EPU	European Payments Union
ERLOAD	Expected Ready To Load
ESC	European Shippers Council
ESCAP	Economic and Social Commission for Asia & the Pacific
ESL	EC Sales Listing
EST	Eastern Standard Time (USA)
ETA	Estimated Time of Arrival
ETD	Estimated Time of Departure
ETS	Estimated Time of Sailing
EU	European Union
EURATOM	European Atomic Energy Community
Eurodollars	US dollars deposited in Europe (or outside the USA and Asia). Compare Asian dollars.
Ex	[1] From. It is used in pricing terms in the phrase "ex [location]" (e.g. "ex factory", "ex dock") to signify that the quoted price applies only at the location named (in the two examples, at the seller's factory or a dock at the import point). In practice, this kind of quotation indicates that the seller agrees to place the goods at the disposal of the buyer at the location named within a fixed period of time. [2] Examined. [3] Excluding.
EXBO	Export Buying Office
Exchange Permit	A government permit sometimes required by the importer's government. It enables the import firm to convert its own country's currency into foreign currency with which to pay a seller in another country.
Exchange Rate	The price of one currency in terms of another. More specifically, the number of units of one currency that may be exchanged for one unit of another currency.
Exd	Examined
Ex-Im Bank, Eximbank	US Export-Import Bank.
Export Broker	An individual or firm that brings together buyers and sellers for a fee, but does not take part in actual sales transactions.
Export Commission House	An organisation that, for a commission, acts as a purchasing agent for a foreign buyer.

Export Declaration	See Shipper's Export Declaration.
Export Licence	A government document that permits the licensee to export designated goods to certain destinations. See Open General Export Licence.
Export Management Company	A private firm that serves as the export department for several producers of goods or services. They do this by taking title or by soliciting and transacting export business for clients. This is in return for a commission, salary, or a retainer plus commission.
Export Trading Company	A firm similar or identical to an export management company.
EXW	Ex Works. But see Incoterms 2000.

F

F & D	Freight and Demurrage
FAC	Forwarding Agents Commission
FAO	Food and Agriculture Organisation (UN)
FAS	Free Alongside Ship. A pricing term indicating that the quoted price includes the cost of delivering the goods alongside a designated vessel. But see Incoterms 2000.
FBL	Forwarder's Bill of Lading
FC & S	Free Capture and Seizure
FCA	"Free Carrier" to named place. This is an alternative to the term "FOB named port". It designates the seller's responsibility for the cost of loading goods at the named shipping point. It covers multimodal transport, container stations, and every method of transport, including air. But see Incoterms 2000.
FCIA	Foreign Credit Insurance Association
FCL	Full Container Load
FCR	Forwarder's Certificate of Receipt
FCT	Forwarder's Certificate of Transport
FD	[1] Free Discharge. [2] Free Delivery.
FEU	40-foot Equivalent Unit
FFA	[1] Free From Alongside. [2] Free Foreign Agency.
FFI	For Further Instructions
FGA	Free of General Average
FI	Free In. A pricing term indicating that the charterer of a vessel is responsible for the cost of loading and unloading goods from the vessel.
FIA	Full Interest Admitted
FIATA	International Federation of Freight Forwarders Association

FIB	Free into Barge
FICA	Foreign Credit Insurance Association
FICS	Fellow of the Institution of Chartered Shipbrokers
FIEx	Fellow of the Institute of Export
FIFO	First In First Out
FILTD	Free in Liner Terms Discharge
FIO	Free In and Out
FIOS	Free In and Out plus Stowing
FIOT	Free In and Out plus Trimming
First of Exchange	First copy of a Bill of Exchange to be presented which automatically cancels all other copies.
FIT	Federation of International Traders
FIW	Free In Wagon
F/L	Freight Liner
FLIC	Forwarders Local Import Control
Floating Policy	See Open Insurance Policy
FMB	Federal Maritime Board (USA)
FMC	Federal Maritime Commission (USA)
FO	[1] Free Over-side. [2] Firm Offer. [3] For Orders. [4] Free Out Terms.
FOA	Free on Airport
FOB	"Free On Board" at named port of export. A pricing term indicating that the quoted price covers all expenses up to and including delivery of goods on an overseas vessel provided by or for the buyer. But see Incoterms 2000.
FOBA	Free on Board Aircraft
FOBS	Free on Board and Stowed
FOBT	Free on Board and Trimmed
FOC	Free Of Charge
FOD	Free of Damage
FODA	Free of Damage Absolutely
FONASBA	The Federation of National Shipbrokers and Agents
FOQ	Free on Quay
FOR	Forwards
Free on Rail	A foreign exchange instrument that enables your business to fix the exchange rate for the payment or receipt of foreign currency in the future.
Force Majeure	The title of a standard clause in marine contracts exempting the parties for not meeting their commitments because of events beyond their control. The events include conditions such as earthquakes, floods, or war.

Foreign Exchange	The currency or credit instruments of a foreign country. Also, transactions involving the purchase or sale of currencies.
Foreign Sales Agent	An individual or firm that serves as the foreign representative of a domestic supplier and seeks sales abroad for the supplier.
Forex	Foreign Exchange
Foul Bill of Lading	A receipt for goods issued by a carrier which indicates that the goods were damaged when received. Compare Clean Bill of Lading.
FP	[1] Floating Policy. [2] Fully Paid.
FP-C	Flash Point Celsius
FPA	Free From Particular Average
FPAA	Free From Particular Average Absolutely
Fpil	Full Premium if Lost
FR	Freight Release
FR	Free Circulation (EU)
FRA	Forward Rate Agreement
Free Port	An area such as a port city into which goods can be legally moved without paying duties.
Free Trade Zone	A port designated by the government of a country for duty-free entry of any non-prohibited goods. Goods can stored, displayed, used for manufacturing and so on, within the zone and re-exported without duties being paid. Duties are imposed on the goods – or the items they manufacture – only when the goods pass into an area of the country that is covered by the Customs authority.
Freight Forwarder	An independent business that handles export shipments for compensation.
Frof	Fire risk On Freight
Frt	Freight
FS	Italian railways
FTA	[1] Freight Transport Association. [2] Free Trade Agreement.
FTC	Federal Trade Commission (USA)
FTL	Full Trailer Load
FTZ	Free Trade Zone
Fwd	Forward

G

G/A con	General Average Contribution
G/A	[1] General Average. [2] General Authorisation.
GAC	General Average Certificate
GBP	Pound Sterling

GCBS	General Council of British Shipping
GCC	Gulf Co-operation Council
GCR	General Cargo Rate/General Commodity Rate
GDP	Gross Domestic Product
GmbH	Registered Company (Germany)
GMT	Greenwich Mean Time
GNP	Gross National Product
Gr Wt	Gross Weight
Gross Weight	The full weight of a shipment, including goods and packaging. Compare Tare Weight.
GRT	Gross Registered Tonnage
GSM	Good Sound Merchantable
GSP	Generalised System of Preferences
GUV	General Utility Van
GV	Grand Vitesse (Express Train)

H

HAWB	House Air Waybill
HLB	House Bill of Lading
H/C	Held Covered
HCS	Harmonised Commodity System
H/H	Half Height (Container)
HL	Heavy Lift
HMC	Her Majesty's Customs
HMRC	Her Majesty's Revenue and Customs
HMSO	Her Majesty's Stationery Office
HS	Harmonised System
HVR	Hague-Visby Rules
HWM	High Water Mark

I

IATA	International Air Transport Association
IB	[1] In Bond. [2] Invoice Book.
IBAP	Intervention Board for Agricultural Produce
IBAN	International Bank Account Number. A standard way of uniquely identifying an account, which improved the speed and efficiency of cross border payments.
IBRD	International Bank for Reconstruction and Development
IC&C	Invoice Cost and Charges
ICAB	International Cargo Advisory Bureau
ICAO	International Civil Aviation Organisation
ICB	International Container Bureau

ICC	[1] International Chamber Of Commerce. [2] Institute Cargo Clauses.
ICCH	International Commodities Clearing House
ICD	Inland Clearance Depot
ICHCA	International Cargo handling Co-ordination Association
ICS	[1] International Chamber of Shipping. [2] Institute of Chartered Shipbrokers.
ID	Import Duty
IDA	International Development Authority
IDB	Inter-American Development Bank
IDR	Import Duty Relief
IFC	International Finance Corporation
I/L	Import Licence
ILO	International Labour Organisation
ILU	Institute of London Underwriters (insurance). See Institute Cargo Clauses.
IMCO	International Maritime Consultative Organisation
IMDG	International Maritime Dangerous Goods Code
IMF	International Monetary Fund
IMO	International Maritime Organisation
Import Licence	A document required and issued by some national governments authorising imported goods into their individual countries.
IMT	International Money Transfer
INCOTERMS	International shipping terms devised by the International Chambers of Commerce. These are recognised by most major trading nations and were most recently updated in 2000.
Inland Bill of Lading	A bill of lading used for transporting goods overland to the exporter's international carrier. Although a through bill of lading can sometimes be used, it is usually necessary to prepare both an inland bill of lading and an ocean bill of lading for export shipments. Compare Air Waybill.
INR	Indian Rupee
INSA	International Shipowner's Association
Institute Cargo Clauses	Clauses issued by the Institute of London Underwriters that are added to standard marine cargo insurance policies to widen or restrict the cover given. The wording of each has been agreed by a committee of insurance companies and Lloyd's underwriters. Attaching particular clauses to a policy enables insurers to tailor an individual policy to a client's needs.
INTRASTAT	Intra EC Statistics

IOE	Institute of Export
IPA	Including Particular Average
IPR	Inward Processing Relief
IRD	Inland Rail Depot
IRN	Import Release Note
Irrevocable Letter of Credit	A letter of credit in which the specified payment is guaranteed by the bank if all terms and conditions are met by the drawee. Compare 'Revocable Letter of Credit' and 'Confirmed Letter of Credit'.
IRU	Union Internationale des Transports Routiers
ISC	Institute Strike Clauses (insurance). See Institute Cargo Clauses.
ISF	International Shipping Federation
ISFA	Institute of Shipping and Forwarding Agents
ISO	International Standards Organisation
ITI	Customs Convention on the International Transit of Goods
ITMA	Institute of Trade Mark Agents
ITO	International Trade Organisation
IUPIP	International Union for the Protection of Intellectual Property
IWA	International Waterways Association
IWC	Institute War Clauses (insurance). See Institute Cargo Clauses.

J

JIT	Just In Time
JLCD	Joint Liaison Committee on Documents
JPY	Japanese Yen

K

L

L/A	[1] Lloyds' Agent. [2] Letter of Authority.
LAB	Lloyds Average Bond
LAFTA	Latin American Free Trade Association
Lay days	The number of days specified in a charter party to enable the charterer to load or unload cargo. They start to run as soon as the ship reaches the berth or mooring specified in the charter party. If just a port is specified, the ship must have reached a position within the port where the charterer can immediately dispose of its cargo. (This is known as the "Reid test"). The charter party can include a dispatch payment to reward the charterer for

	saving days when loading or unloading the cargo. Unless the charter party provides otherwise – for example by limiting them to good-weather working days – lay days run consecutively without a break. See also Demurrage.
L/C	Letter of Credit
LCL	Less than Full Container Load
LDC	Less Developed Country
Ldg	Loading
Ldg & Dly	Landing and Delivery
Lds	Loads
LEC	Local Export Control
Letter of Credit (L/C)	A Letter of Credit (or Documentary Credit) is an arrangement under which the bank that issues the Credit undertakes to the beneficiary of the Credit (the exporter) that, provided the exporter presents the documents stipulated in the Credit and complies with all the terms and conditions of the Credit, the payment or any other obligation of the bank to the exporter will be fulfilled. By using a Letter of Credit, compared with other methods of payment, both the exporter and the buyer gain the additional independent assurance of the bank that issues the Credit (the Issuing Bank).
LI	Letter of Indemnity
LIC	Local Import Control
Licensing	A business arrangement in which a manufacturer grants manufacturing rights for a product in return for a payment or specified royalties. Alternatively, a firm may have proprietary rights over certain technology and trademarks, which again they release in exchange for some form of payment.
LIFFE	London International Financial Futures Exchange
LIFO	[1] Last in First out. [2] Liner In Free Out.
Lkg & Bkg	Leakage and Breakage
Lkge	Leakage
L/L	Long Length
LO/LO	Lift on Lift off
L/T	Long Ton (240 lbs)
LT-EUR1	Long-Term Movement Certificate (EU)
LTL	Less than Truck Load
LVP	Low Value Procedure
LWM	Low Water Mark

M

Manifest	See 'Ship's Manifest'.
Marine Insurance	Insurance that compensates the owners of goods transported overseas for a loss that cannot legally be recovered from the carrier. Also covers air shipments. Compare Credit Risk insurance.
Marking (or Marks)	Letters, numbers, and other symbols placed on cargo packages to identify them.
MAT	Marine, Aviation and Transport (insurance)
MAWB	Master Air Waybill
MDHB	Mersey Docks and Harbour Board
MEC	Marine Extension Clause
Medit	Mediterranean
MFN	Most Favoured Nation
Mgr	Manager
MIA	Marine Insurers Act
MIEx	Member of the Institute of Export
Min	Minimum
Min Wt	Minimum Weight
Min.B/L	Minimum Bill of Lading
MIP	Marine Insurance Policy
MLO	Main Line Operator
MM	Made Merchantable
MMA	Merchandise Marks Act
MN	Merchant Navy
MNC	Multinational corporation
MO	Money Order
MOLOO	More or Less at Owners Option
MPC	Multi Purpose Vessel
M/R	Mate's Receipt
Mst or msm	Measurement
MT	Metric Tonne
MTN	Multilateral Trade Negotiations
MTO	Multimodal Transport Operator
MV or mv	Motor Vessel

N

N/A	[1] Not Applicable. [2] No Advice. [3] No Account (banking).
NATS	National Air Traffic Services
NCV	No Commercial Value
ND	No Discount
NDPS	National Data Processing Service
NE	Not Exceeding

NEC	Not Elsewhere Classified
NEI	Not Elsewhere Indicated
NES	Not Elsewhere Specified
Net Weight	Weight of the goods alone, excluding packaging or container
NIR	Northern Ireland Railways
NMB	National Maritime Board
NOK	Norwegian Kroner
NPC	National Ports Council
NR	[1] No Risk Until Confirmed. [2] Nett Register.
NRAD	No Risk After Discharge
NRT	Nett Registered Tonnage
NS	Nerdlandse Spoorwegen (Dutch Railways)
NSPF	Not Specially Provided For
N/T	Nett Terms
NTBs	Non-Tariff Barriers
NV	Dutch Term for Incorporated
NVOCC	Non Vessel Operating Common Carrier
NYPLR	New York Prime Lending Rate

O

O/A	On Account Of
OAS	Organisation for American States
OAU	Organisation of African Unity
OBOs	Oil/Bulk/Ore Carriers
O/C	[1] Open Cover. [2] Open Charter.
O/c	Overcharge
Ocean Bill of Lading	A bill of lading (B/L) indicating that the exporter places a shipment with an international carrier to transport to a specified foreign market. Unlike an inland bill of lading, the ocean B/L also serves as a collection document. If it is a "straight" B/L, the foreign buyer can get the shipment from the carrier by simply showing proof of identity. If a "negotiable" B/L is used, the buyer must first pay for the goods, post a bond, or meet some other condition agreed with the seller. Compare Air Waybill and Through Bill of Lading.
OCN	Out-of-Charge Notice
O/d	[1] On Demand. [2] Overdrawn.
OECD	Organisation for Economic Co-operation & Development
OFT	Office of Fair Trading
OGL	Open General Licence

OJEC	Official Journal of the European Communities
ON	Official Number
On Board Bill of Lading	A bill of lading in which a carrier certifies that goods have been placed on board a certain vessel.
On Consignment	Delivery of goods from an exporter (the consignor) to an agent (the consignee) with the agreement that the agent sells the good for the exporter at an agreed price or at the best possible price. The consignor retains ownership of the goods until the consignee has sold them. The consignee sells the goods for commission and remits the net proceeds to the consignor in a final settlement. This is often known as a consignment account.
O/o	Order of
OP	Open or Floating Cargo Policy
OPEC	Organisation Of Petroleum Exporting Countries
Open Account	A trade arrangement in which goods are shipped to a foreign buyer without payment being guaranteed. The obvious risk this method poses to the supplier means it is essential there is a strong degree of trust in the trading relationship.
Open General Export Licence	A class of export licence covering export commodities for which individually validated export licences are not required. No formal application or additional written authorisation is needed to ship exports under an Open General Export Licence, although the licence may specify that shipments are notified.
Open Insurance Policy	A marine insurance policy that applies to all shipments made by an exporter over a period of time rather than to a particular shipment.
OPR	Outward Processing Relief
O/R	Owner's Risk
Order Bill of Lading	A negotiable bill of lading made out to the order of the shipper.
ORL	Owner's Risk of Leakage
OY	Finnish term for Incorporated

P

P/A	Private Account
Packing List	A list showing the number and kinds of items being shipped, as well as other information needed for transportation.
Parcel Post Receipt	The postal authorities' signed proof of delivery to the receiver of a shipment made by parcel post.

PBA	Port of Bristol Authority
Pd	Paid or Passed
PD	Port Dues
PE	Period Entry
Perils of the Sea	A marine insurance term used to designate heavy weather, stranding, lightning, collision and sea water damage.
Phytosanitary Inspection Certificate	A certificate, issued by the UK Department for Environment, Food and Rural Affairs, to satisfy import regulations for foreign countries. It indicates that a shipment has been inspected and is free from harmful pests and plant diseases.
P&I	Protection and Indemnity
PKD	Partially Knocked Down
Pkge	Package
P/L	Partial Loss
PLA	Port of London Authority
PM	Premium
PMS	Permanent Manual System
P/N	Promissory Note
PO	[1] Post Office. [2] Purchase Order.
POA	Place Of Acceptance
POD	[1] Paid On Delivery. [2] Proof of Delivery.
POL/POD	Contractual Port of Loading
Political Risk	In export financing, the risk of loss through causes such as currency inconvertibility, government action preventing entry of goods, expropriation or confiscation, and war.
Ppd	Prepaid
Pro Forma Invoice	An invoice provided by a supplier before goods are shipped. It informs the buyer of the kinds and quantities of goods being sent, their value, and important specifications such as weight and size.
PSD	Pre-shipment Document
PSI	Pre-shipment Inspection
PT	Preferential Treatment
PTL	Partial Total Loss
Purchasing Agent	An agent who purchases goods in their own country on behalf of foreign importers, such as government agencies and large private companies.
PV	Petite Vitesse (slow goods train)

Q

Qn	Quotation
Qty	Quantity
Quota	The quantity of goods of a specific kind that a country permits to be imported without adding restrictions or imposing extra duties.
Quotation	An offer to sell goods at a stated price and under specified conditions.

R

RAFT	Revolving Acceptance Facility by Tender
REDS	Registered Excise Shippers and Dealers
Reefer	Refrigerated Box or Vessel
Remitting Bank	The bank that sends the draft to the overseas bank for collection.
RENFE	Spanish Railways
Representative	See 'Foreign Sales Agent'.
RES	Retail Export Scheme
Revocable Letter of Credit	A letter of credit that can be cancelled or altered by the drawee (buyer) after it has been issued by the drawee's bank. Compare 'Irrevocable Letter of Credit'.
RHA	Road Haulage Association
RN	Removal Note
R/O	Routing Order
Ro/Ro	Roll On Roll Off
ROD	Rusting, Oxidation, Denting
RP	Return Premium
RTK	Revenue Tonne Kilometres
RTP	Restrictive Trade Practices

S

S/A	Safe Arrival
SAD	Single Administrative Document (also known as C88)
SANR	Subject To Approval No Risk
SB	Short Bill, payable on demand or sight
SCP	Simplified Clearance Procedure
SCR	Specific Commodity Rate
SD	Sight Draft
SD	Sailed
SDBL	Sight Draft, Bill Of Lading attached
SDR	Special Drawing Rights
SEA	Single European Act
SED	Shipper's Export Declaration

See-Bee	Sea Barge Carrier
SEM	Single European Market
SEPA	Single European Payment Area. SEPA is a banking industry initiative to standardise the way of making payments across the EU.
Shipper's Export Declaration	A form that gives details of individual shipments and is used to control exports. It also acts as a source document for official export statistics. SEDs are prepared by the exporter and the exporter's agent and delivered to the exporting carrier. The carrier then presents the correct number of copies to customs at the port of export.
Ship's Manifest	A written record, signed by the captain of a ship, that lists the individual shipments that make up the ship's cargo.
Shipt.	Shipment
Shpg.	Shipping
SIECA	General Treaty of Economic Integration, Central American States
Sight Draft (S/D)	A draft that is payable when it is presented to the drawee. Compare 'Date Draft' and 'Time Draft'.
SIS	Shipping Information Service
SIT	Spontaneous Ignition Temperature
SITC	Standard International Trade Classification
SITPRO	Simpler International Trade Procedures Board
SLI	Shipper's Letter of Instruction
SM	Shipping Master
SNCB	Belgian Railway
SNCF	French Railway
SO	Seller's Option
S/o	Shipowner
SOB	Shipped On Board
SOEC	Statistical Office European Community
SOL	Shipowners' Liability
SPA	Subject to Particular Average
Spot Exchange	The purchase or sale of foreign exchange for immediate delivery.
Spot FX	A contract for exchanging one currency for another at a fixed rate of exchange in two working days' time.
SRCC	Strikes, Riots and Civil Commotion
SS	[1] Steamship. [2] Short Shrift.
SSD	Supplementary Statistical Declaration
SSN	Standard Shipping Note

Standard Industrial Classification (SIC)	A standard numerical code system used by the British government to classify products and services.
Standard International Trade Classification (SITC)	A standard numerical code system developed by the United Nations to classify commodities used in international trade.
Standard Shipping Note	A form used by the exporter to provide shipping instructions to the receiving authority.
Standby letter of credit	Issued by a bank to guarantee the performance of a customer or strengthen their credit worthiness. The parties involved in the trade don't expect that the letter of credit will ever be drawn upon.
STC	Said To Contain
Steamship Conference	A group of steamship operators that work to mutually agreed freight rates.
Straight Bill of Lading	A non-negotiable bill of lading in which goods are consigned directly to a named consignee.
Swaps	A foreign exchange instrument that enables you and your trading partners to lend to each other on different terms.
SWIFT	Society for World-wide Interbank Financial Telecommunications. An electronic messaging system between banks that carries payment instructions.
SWL	Safe Working Load

T

Tare Weight	The weight of a container and packing materials without the weight of the goods it contains. Compare 'Gross Weight'.
TDC	Total Distribution Costs
TDW	Tons Deadweight
Tenor (of a Draft)	Confirmation that a payment is due at sight, or a given number of days after sight, or a given number of days after date.
TEU	20-foot Equivalent Unit
Through Bill of Lading	A single bill of lading covering both the domestic and international carriage of an export shipment. An air waybill, for example, is essentially a through bill of lading used for air shipments. Ocean shipments, on the other hand, usually require two separate documents: an inland bill of lading for domestic carriage and an ocean bill of lading for international carriage. A through bill of lading isn't enough cover for ocean shipments.

Time Draft	A draft that matures either a certain number of days after it's been accepted or a certain number of days after the date of the draft. Compare 'Date Draft' and 'Sight Draft'.
TIR	Transport Internationale Routier
T/L	Total Loss
TLA	Tanker Loading Authority
TLO	Total Loss Only
TMO	Telegraphic Money Order
TMR	Trade Marks Registry
TP&ND	Theft, Pilferage and Non-delivery
Tramp Steamer	A ship not operating on regular routes or schedules.
Transaction Statement	A document that lays out the terms and conditions that the importer and exporter have agreed.
Trust Receipt	Release of goods by a bank to a buyer where the bank retains title to the goods. Whether the buyer has obtained the goods for manufacturing or sales purposes, they must keep them – or the proceeds from their sale – distinct from the rest of their assets. This way they are ready to be reclaimed by the bank.
TSPP	Tanker Safety and Pollution Prevention
TSR	Transit Shed Register
TT	Telegraphic Transfer
TTC	Tariff Trade Code
TUCC	Transport Users Consultative Committee
TURN	Trader Unique Reference Number
TVA	Tax on Value Added

U

UA	Unit of Account
U/A	Underwriting Account
U/C	Undercharge
UCE	Unforeseen Circumstances Excepted
UCP	Uniform Customs and Practice
U/D	Under Deck
UIC	International Union of Railways
UKL	Pound Sterling (alternative to GBP)
ULD	Unit Load Device
UN	United Nations
UNCITRAL	The United Nations Commission on International Trade Law
UNCLOS	United Nations Conference on the Law of the Sea
UNCTAD	The United Nations Conference on Trade & Development

UNDG	United Nations Dangerous Goods number
UNECE	United Nations Economic Commission for Europe
UNLK	United Nations Layout Key
UNSM	United Nations Standard Message
UPU	Universal Postal Union
UPC600	The new version of the Uniform Customs and Practice for Documentary Credits published by the International Chamber of Commerce. It came into effect on 1 July 2007.
URC	Uniform Rules for Collections
URCG	Uniform Rules Contract Guarantees
USD	United States Dollar
U/w	Underwriter

V

VAT	Value Added Tax
Voluming Out	A term applying to shipped goods with a high volume to weight ratio. Such goods are charged higher shipping rates than smaller consignments of the same weight.

W

WA	With Average
Warehouse Receipt	A receipt issued by a warehouse, listing goods received for storage.
WB	Waybill
Weight or Measurement W/M	Freight rates quoted 'W/M' mean that volume and weight rates are calculated and whichever is the greater will apply. The exporter needs to calculate both rates to be certain which charges apply. See Voluming Out.
WG	Weight Guaranteed
Wgt	Weight
Wharfage	A charge made by a pier or dock owner for handling incoming or outgoing cargo.
WIPO	World Intellectual Property Organisation
Without Reserve	A term indicating that a shipper's agent or representative has the power to make a decision or adjustment without a shipper's approval. Compare Advisory Capacity.
W/M	Weight and Measurement
W&M	War and Marine
WP	Without Prejudice
WPA	With Particular Average
WR	War Risk
WR	Warehouse Receipt
WRO	War Risks Only

Wt	Weight
W/T	Warranted
WTE	Wartime Extension Clause
WTO	World Trade Organisation
WW	Warehouse Warrant

X

Y

Z

ZAR	South African Rand
ZIP	Zone Improvement Plan

Incoterms 2000

E-terms	Departure	EXW				
F-terms	Main carriage	unpaid	FCA	FAS	FOB	
C-terms	Main carriage	paid	CFR	CIF	CPT	CIP
D-terms	Arrival	DAF	DES	DEQ	DDU	DDP

E-terms (Departure): The exporter merely makes the goods available to their customer at the exporter's own premises.

EXW	Any transport mode	Ex Works (...named place)	You deliver by making the goods available to your customer, either at your own premises or at another named place. Your customer is responsible for loading and transporting the goods, and for clearing them through customs. Your obligations are minimal, and your customer bears all costs and risk.
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F-terms (Main carriage unpaid): The exporter delivers the goods, cleared for export, to a carrier appointed by the customer.

FCA	Any transport mode	Free Carrier (...named place)	Your customer is responsible for carriage after delivery. You clear the goods for export. You deliver the goods to your customer's nominated carrier at the place named. (Your customer can also nominate someone other than a carrier, for example, a freight forwarder, to receive the goods.) If the place named is your own premises, you are responsible for loading; and delivery is considered to have taken place once you have loaded the goods on the nominee's vehicle. Otherwise, your customer is responsible for loading; and delivery takes place once you have made the goods available to your customer's nominee, even if they still need to be unloaded from your own vehicle. After delivery, your customer bears all costs and risk.
FAS	Maritime/inland waterway only	Free Alongside Ship (...named port of shipment)	Your customer is responsible for carriage after delivery. In Incoterms 2000, FAS now means that you clear the goods for export. You deliver by placing the goods alongside the appropriate ship at the named port. Your customer bears all costs and risks from that moment on.
FOB	Maritime/inland waterway only	Free On Board (...named port of shipment)	Your customer is responsible for carriage after delivery. You clear the goods for export. You deliver when you pass the goods across the ship's rail at the named port. Your customer bears all costs and risks from that moment on. "Across the ship's rail" will be interpreted according to current practice, in line with the nature of the goods and the facilities handling them. The term "FOB" should be used only with a maritime port (not "FOB works" or any other inland location). If no specific port is named (for example, "FOB UK port" is stated), the cost you quote should allow for delivery to any such port.

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C-terms (Main carriage paid): The exporter contracts for carriage. However, the customer bears both the risk if goods are lost or damaged and any extra costs that arise from events happening after the exporter despatches or ships the goods. (The essence of C-terms is departure or shipment of the goods.) The exporter must pay the transport costs to the named place or port of destination – which is in the destination country. Exporters should think carefully before agreeing to extend their obligations beyond this critical point. CFR and CPT are mirrored by CIF and CIP, in which the exporter arranges and pays for minimum insurance cover for the customer. Extra cover may be stipulated in the sales contract.

CFR	Maritime/inland waterway only	Cost and Freight (...named port of destination)	You arrange carriage and clear the goods for export. You deliver when you pass the goods across the ship's rail at the shipment port. (If the goods will not actually be delivered across the ship's rail, CPT should be used.) You pay the costs of getting the goods to the named destination port (in the destination country), but your customer bears all risk from the moment of delivery. Your customer also pays any additional costs caused by events that happen after delivery. Avoid adding time restrictions to CFR: it transfers your customer's risk back to yourself (and the meaning is unclear). Possible variation in sales contract: if you agree "liner terms", you pay for goods to be unloaded at the destination port. Avoid the non-standard term "CFR landed" (intended to mean the same thing), and spell out the requirement in the sales contract instead.
CIF	Maritime/inland waterway only	Cost, Insurance and Freight (...named port of destination)	You arrange carriage and clear the goods for export. You deliver when you pass the goods across the ship's rail at the shipment port. (If the goods will not actually be delivered across the ship's rail, CIF should be used.) You pay the costs of getting the goods to the named port of destination (in the destination country). Your customer bears all risk from the moment of delivery, and also pays any additional costs caused by events that happen after delivery. However, you must take out and pay for marine insurance on minimum cover against the buyer's risk during transport. Avoid adding time restrictions to CIF: it transfers your customer's risk back to yourself (and the meaning is unclear). The sales contract may specify "liner terms" to show that the goods are to be unloaded. Avoid the term "CIF landed" (intended to mean the same thing), and spell out the requirement in the sales contract instead. Possible variation in sales contract: the customer may request extra insurance (or take it out separately).
CPT	Any transport mode	Carriage Paid to (...named place of destination)	You arrange carriage and clear the goods for export. You deliver when you pass the goods to your carrier (or the first carrier of several). You pay the costs of getting the goods to the named place of destination (in the destination country). Your customer bears all risk from the moment of delivery, and also pays any additional costs caused by events that happen after delivery. CPT should be used when goods aren't transported by sea.
CIP	Any transport mode	Carriage and Insurance Paid To (...named place of destination)	You arrange carriage and clear the goods for export. You deliver when you pass the goods to your carrier (or the first carrier of several). You pay the costs of getting the goods to the named place of destination (in the destination country). Your customer bears all risk from the moment of delivery, and also pays any additional costs caused by events that happen after delivery. However, you must take out and pay for marine insurance on minimum cover against the buyer's risk during transport. CIP should be used when goods aren't being transported by sea.

D-terms (Arrival): The exporter bears all the costs and risks in getting the goods to the named place in the customer's country. (The essence of D-terms is arrival of the goods at the frontier of the destination country or at a named place within it.)			
DAF	Any transport mode	Delivered at Frontier (...named place at a land frontier)	<p>You arrange carriage and clear the goods for export. You deliver when you make the goods available to your customer at the named frontier place but outside the customs border of the importing country. The goods must still be loaded on the means of transport by which they arrived and not cleared for import. The selection and precise specification of the named place are crucial: up to this point you bear cost and risk, but at this point both transfer to your customer. Your customer clears the goods for import. Possible variation in sales contract: the customer may ask you to arrange ongoing carriage of the goods at their own cost and risk.</p> <p>DAF (which applies if you bear the risk of transport to the named place) is more precise than the non-standard terms: "franco border", "franco frontiere" and "freie Grenze". (If your customer bears the risk, the more precise term for "franco border" type terms is CPT.)</p>
DES	Maritime/inland waterway only	Delivered Ex Ship (...named port of destination)	<p>You arrange carriage and clear the goods for export. You deliver when you make the goods available to your customer at the named frontier place but outside the customs border of the importing country. The goods must still be loaded on the means of transport by which they arrived and not cleared for import. The selection and precise specification of the named place are crucial: up to this point you bear cost and risk, but at this point both transfer to your customer. Your customer clears the goods for import and bears the cost and risk of unloading. If your customer wants you to bear the cost and risk of unloading, use term DEQ.</p>
DEQ	Maritime/inland waterway	Delivered Ex Quay (...named port of destination)	<p>You arrange carriage and clear the goods for export. You deliver when you make the goods available to your customer on the quay at the named destination port, and you bear all cost and risk to this point. In Incoterms 2000, the customer is now responsible for import customs clearance and associated charges. Likely variation in sales contract: your customer may want you to meet part or all of the costs (duty, tax, fees) payable on import.</p>
DDU	Any transport mode	Delivered Duty Unpaid (...named place of destination)	<p>You arrange carriage and clear the goods for export. You deliver when you make the goods available to your customer at the named destination place. They must still be loaded on the means of transport by which they arrived. Your customer clears the goods for import and bears all associated costs and risk. Possible variation in sales contract: your customer may ask you to carry out the customs formalities and to bear the associated costs and risk. This may include some import dues (for example, "duty unpaid, VAT paid"). DDU means you're not obliged to clear goods through customs in countries where this procedure risks unpredictable delays. However, in such countries, use of DDU presents a high risk, because your customer also faces such delays (even though they bear the cost and risk for them).</p>
DDP	Any transport mode	Delivered Duty Paid (...named place of destination)	<p>You arrange carriage and clear the goods for export. You deliver when you make the goods available to your customer at the named destination place. They must still be loaded on the means of transport by which they arrived. You bear all costs and risk associated with clearing the goods for import. If you are unable to get the required import licence, do not use this term. If delivery is on board a vessel in a named destination port, use DES. Possible variation in sales contract: your customer may agree to accept some of your import costs, for example import taxes. (However, if your customer is prepared to accept all import risk and costs, use DDU instead.)</p>

Minimum cover is defined by the Institute Cargo Clauses of the Institute of London Underwriters. The policy should cover 110 per cent of the contract price and the cover should be provided in the contract currency. If your customer asks for additional cover against war, strikes, riots and civil commotion, you must arrange it (if you can), but your customer is liable to pay for it.