



MASARYK UNIVERSITY
FACULTY OF ECONOMICS
AND ADMINISTRATION

Documents in International Logistics

Ondrej Castek



The role of documentation

Control and liability

Purposes of documentation:

1. Fulfill regulations
2. Manage risk
3. Common understanding
4. Record keeping



Example

"Imagine the incredible intricacies of a case involving any given product sold in a country A to a buyer in country B, who makes credit arrangements at a bank in country C, with the product loaded on board a ship registered in country D, and with a master from country E. The ship sinks off the coast of country F, while her "sunken" cargo appears in country G. And this listing of nationalities does not even account for the dozen or two dozen countries from which the sailors hail who might have to be summoned as potential witnesses...The question is, where is the venue? Which country can dispose of the case?"¹¹



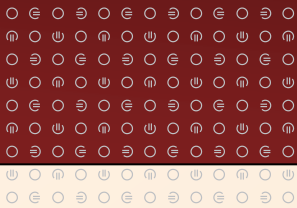
Types of documents

- 1. Transportation
- 2. Banking
- 3. Commercial
- 4. Government

Or

Business-related and Law-related





IT and documentation

Time and costs

Time – to deliver documentation and to collect information

Costs – Pocuca et. al found in 2000, that for a set of 103 documents in one shipment the electronic handling:

decreases costs by 39 %

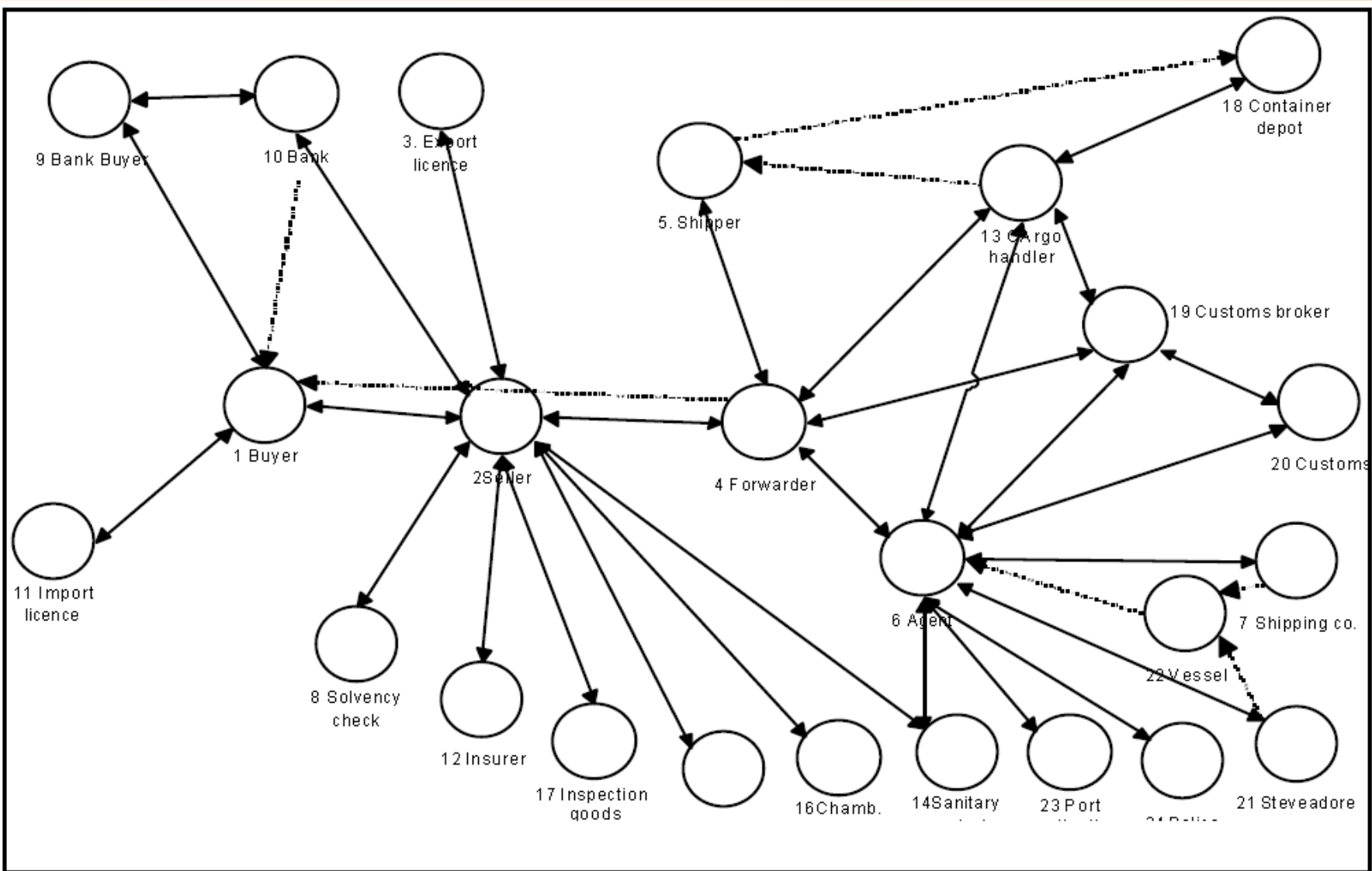
decreases government importance by 73 %

- The government is represented by consulate, export and import licensing, health control, chamber of commerce, export and import customs, port authority and police.





Pocuca et al research model



IT and documentation - example

One piece of information, port of discharge (POD).

POD is used by the:

- exporter,
- the port terminal operator (to know where to load the freight on the ship or airplane), the carrier,
- the insurance company,
- the bank (particularly in letters of credit),
- the customer's customs broker,
- customs,
- the customer.



Documentation as a non tariff trade barrier

1. import license (quantity, value, other)
2. consular legalization





Commercial invoice

1. more information than domestic invoice
2. not only a collection document, but also
3. used by governmental authorities:
 1. duties
 2. admission under quota





Consular invoice

1. special form and data or just a copy of commercial invoice
2. language of importing country
3. might require legalization or approval by consul





Ocean Bill of Lading

1. contract of carriage
2. documentary evidence of title
3. receipt for goods





COMPANHIA MARITIMA NACIONAL

Rio de Janeiro - Brasil

www.econ.muni.cz

SHIPPER/EXPORTER COMPANHIA MARITIMA NACIONAL 120 WALL ST SUITE 2501 NEW YORK, NY 10005		BOOKING NO. NYC 105	BILL OF LADING NO. NCNUJXRJTB 0001
CONSIGNEE COMPANHIA MARITIMA NACIONAL RUA SAO BENTO 8, 8° ANDAR RIO DE JANEIRO, RJ 20090-010 BRAZIL		EXPORT REFERENCES INV NU 800012	
NOTIFY PARTY (CARRIER UNDER NO OBLIGATION TO NOTIFY)		FORWARDING AGENT REFERENCES CMN INTL P.O. BOX 123 NY NY 10005	
PLACE OF INITIAL RECEIPT. NYC		POINT AND COUNTRY OF ORIGIN JACKSONVILLE	
VESSEL & VOYAGE (OCEAN) MERIDA 001		DOMESTIC ROUTING/EXPORT INSTRUCTIONS IMPORT LINCENCE NO 12-93/12345-6	
PORT OF DISCHARGE RIO DE JANEIRO		PRE CARRIAGE BY.	
PORT OF LOADING JACKSONVILLE		PLACE OF DELIVERY. JACKSONVILLE	

PARTICULARS FURNISHED BY SHIPPER

MARKS & NOS./CONTAINER NOS.	NO. OF PKGS.	HM-DESCRIPTION OF PACKAGES AND GOODS	GROSS WEIGHT	MEASUREMENT
ITLU 1234567	01	1 X 40' HOUSEHOLD GOODS & PERSONAL EPECTS FREIGHT COLLECT DATE <u>01/01/93</u> "THESE COMMODITES LICENSED BY U.S. FOR ULTIMATE DESTINATION BRAZIL, DIVERSION CONTRARY TO U.S. LAW PROHIBITED."	18,5 K	

FREIGHT AND CHARGES

OCEAN FREIGHT	5.175.00
BUNKER SURCHARGE @ 14%	724.50
CONTAINER RENTAL	270.00
SIX THOUSAND ONE HUNDRED SIXTYNINE AND FIFTY CENTS	
PAGE 230 FMC 27 TOTAL	6.169.50

DECLARED VALUE \$ _____ [CLAUSE 5. (C) (4)]

Received for shipment the above described merchandise, in apparent good order and condition unless otherwise stated, to be transported to the above mentioned port of discharge or to any other port to which the vessel may safely get and be always afloat, and for arrangement or procurement of pre-carriage from the place of receipt and on carriage to the place of delivery hereon, if applicable. Weight, measure, marks, number, quality, contents and value if mentioned in the Bill of Lading were declared by the Merchant and accepted by the Carrier in good faith. The signing of this Bill of Lading does not signify confirmation by the Carrier of such particulars unless the contrary has been expressly acknowledged and agreed to. In accepting this Bill of Lading the Merchant expressly accepts and agrees to all its stipulations, exceptions and conditions, on both pages, whether written, printed, stamped or otherwise incorporated as fully as if they were all signed by the Merchant. IN WITNESS whereof the Master of the said vessel has signed 5 (five) original Bills of Lading all of this tenor and date, one of which being accomplished the others to be void.

FOR THE CARRIER:
GULF & EASTERN
STEAMSHIP & CHARTERING CORP. AS AGENTS

PLACE & DATE OF ISSUE:	MO	DAY	YEAR
JACKSONVILLE	01	01	93

*APPLICABLE ONLY WHEN DOCUMENT IS USED AS THROUGH B/L.
**INDICATE WHETHER ANY OF THE CARGO IS HAZARDOUS MATERIAL UNDER DOT, IMO OR OTHER REGULATIONS AND INDICATE CORRECT COMMODITY NUMBER.

Other documents

1. carnets
2. dock receipts
3. certificate of origin
4. air waybill
5. collection letter
6. customs invoice
7. delivery instructions
8. export license
9. hazmat bill of lading
10. import license



Other documents

- 11.inland bill of lading
- 12.inspection certificate
- 13.packing list
- 14.phytosanitary inspection certificate
- 15.pro forma invoice



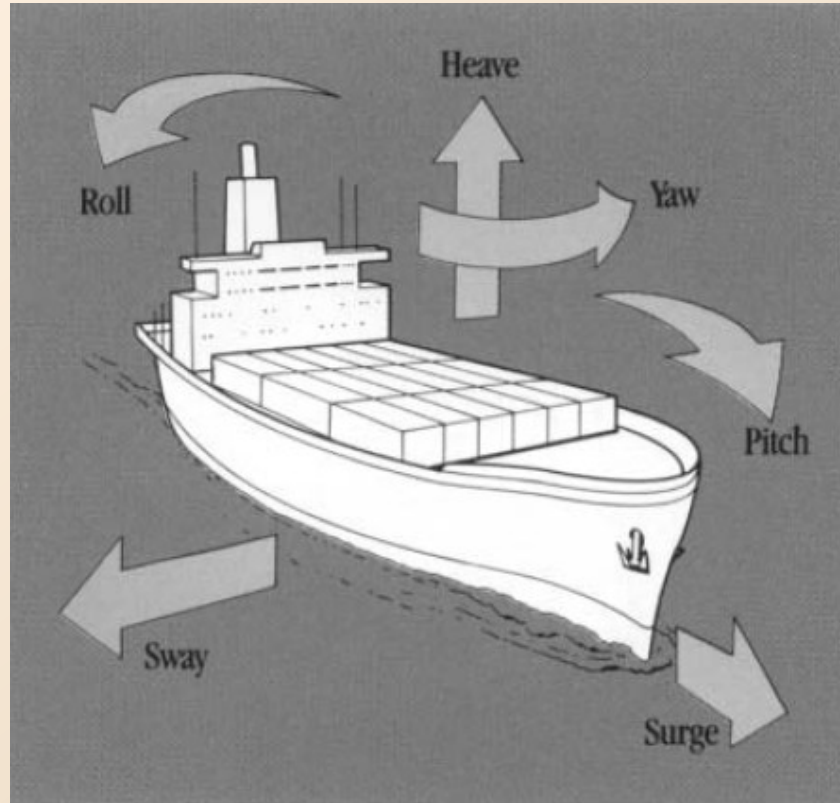
„Clean“ documents

Document, which has been processed and no objection were raised.

Objection might be breakage, leaking, shortage.

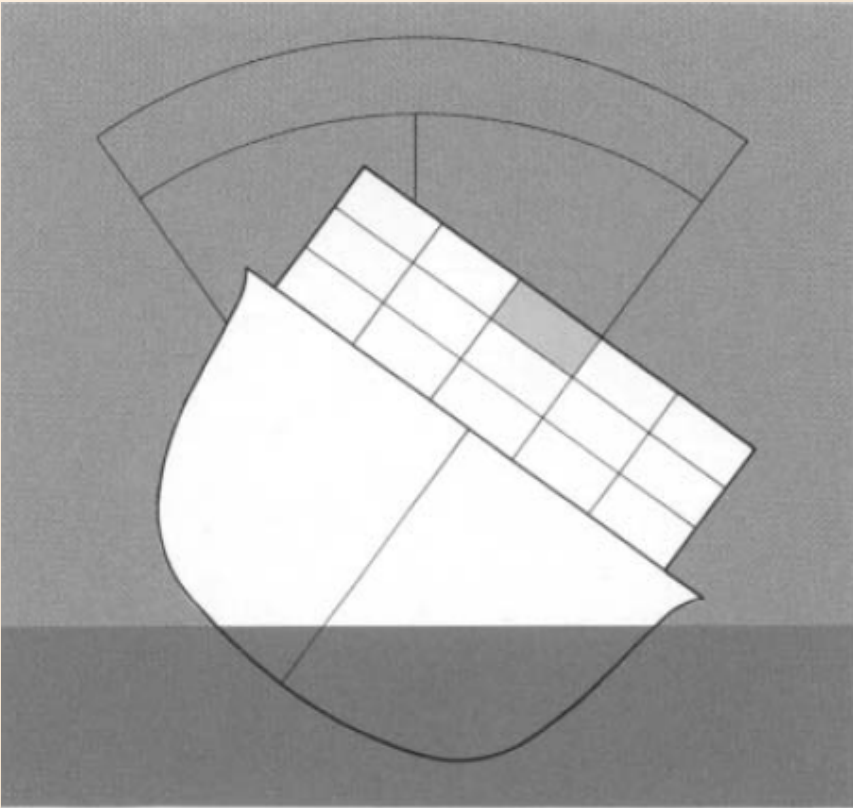
Used with dock receipts, bills of lading and other.

Insurance





Insurance



This container may travel 70 feet with each complete roll; as often as 7 to 10 times per minute.





Sea transport

Condensation (falling like rain)

Waves

Corrosive salt water

Rain, sun, frost



Hull insurance

Japanese	1.00
Norwegian	1.10
American	1.25
Greek	1.50

US is 3x mor risky than Japanese

US repairs are more expensive

US crew is more expensive



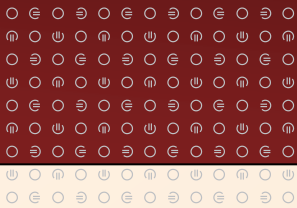
War risk and pirates

Standard 0.1 % of hull value and 0.0275 %
of cargo value

Might climb to 7.5 % and 3 % (Persian gulf
in 1984)

Pirate attacks in 1990: 100, 2000: 450,
2009: 406.





Study material: Chapter 12

International Logistics (2nd Edition)
Wood, Donald F. Barone, Anthony Murphy,
Paul

Pages: 456, Publisher: AMACOM Books
ISBN: 9780814426739

Available at:

<http://site.ebrary.com/lib/masaryk/>

