

Ocean Freight Industry

EIPP Standards Advisory Board

GLOSSARY

4/3/2014 v1.0 Committee Specification

Term	Definition
Account Statement	An Account Statement is a summary of all unpaid invoices and credit notes registered on the biller's accounts receivable. As a rule the total is the amount owed by the payer to the biller for the period stated on the account statement. It is also called a statement of account.
BCO	A BCO (beneficial cargo owner) is a shipper or consignee that has contracted an ocean carrier directly for ocean and intermodal services. Direct rate agreements and / or service contracts have been negotiated between the BCO and the ocean carrier.
Bill of Lading	<p>A Bill of Lading is a contract of carriage between the ocean carrier and the shipper. It evidences carriage by sea or intermodal transportation by truck/rail and sea and the acceptance of responsibility for the goods by the carrier from place of taking the shipment in its possession up to the delivery to the consignee, The Bill of Lading (B/L) may serve as a document of title.</p> <p>A Bill of Lading is issued by the party who provides the ocean transportation services (e.g. the ocean carrier and NVOCC) to the party who gives instructions for the ocean transportation services (shipper, consignor, etc.). The bill of lading is a receipt for the cargo and sometimes of instructions, stating the details of the transportation, charges, and terms and conditions including liabilities under which the carrier provides the transportation services</p>
Biller	A Biller is the party issuing the invoice.
Bulk Invoice	A Bulk Invoice includes various shipments or B/Ls for which individual invoices are issued. This content is consolidated into one Bulk Invoice. The Bulk Invoice can cover various B/Ls or an agreed period. Also called Consolidated Invoice or Summary Invoice.
Buyer	A Buyer is the party buying the goods from the seller.
Carrier	A Carrier is the party that provides liner services and in whose names B/L are issued. The carrier is responsible for the carriage of the goods from place of receipt to place of delivery.
Carrier's Agent	A Carrier's Agent is the party that is acting on behalf of the carrier, receives bookings, issues and signs B/L and also issues the invoices covering the carriage of the goods and all other auxiliary charges.
Charge currency	Charge Currency is the currency used to communicate the individual charge, typically in terms of the country where the service was provided (i.e., 'local charge').
Collect Charge	A Collect Charge is a charge to be paid at destination.

Ocean Freight Industry

EIPP Standards Advisory Board

Collector	A Collector is the party receiving the payment.
Consignee	A Consignee is the party receiving a consignment as shown in the B/L.
Consolidated Invoice	A Consolidated Invoice includes various shipments or B/Ls for which individual invoices are issued. This content is consolidated into one Consolidated Invoice. The Consolidated Invoice can cover various B/Ls or an agreed period. Also called Bulk Invoice or Summary Invoice.
CY or Container Yard	CY or Container Yard: Location where the carrier stores empty containers, receives loaded containers for export and delivers loaded containers and receives empty containers back for import normally at the port of loading and the port of discharge respectively. For intermodal shipments arranged by the carrier the inland receipt and delivery locations.
Debtor	A Debtor is the party responsible for the payment of the invoice toward the biller.
Demurrage	Fee for storage of full containers at the terminal or CY, etc. beyond the agreed free time. Demurrage applies to cargo or container.
Detention	Fee for exceeding the agreed free time upon loading and unloading inside or outside the terminal, CY, etc. Detention applies to equipment.
EDI	EDI or Electronic Data Interchange is the transfer of structured data, by agreed message standards, from one computer system to another without human intervention.[1]
EIPP	Electronic Invoice Presentation and Payment.
Exporter	An Exporter is the party who makes regulatory export declarations.
Express Cargo Bill	<p>A Sea Way Bill (SWB) or an Express Cargo Bill (ECB) are non-negotiable transport documents issued by the ocean carrier and NVOCC. They are the evidence of a contract of carriage. They are not documents of title.</p> <p>Within this document, when the term Bill of Lading or B/L is used, it covers the Bill of Lading, the Sea Way Bill and also the Express Cargo Bill.</p>
FCL	See Full Container Load.
Free Time	Free Time is the period the shipper is allowed to use a carrier's equipment (container, chassis, etc.) at no cost during the pre-shipping and after delivery process. This includes detention and demurrage.
Freight Charges	Freight Charges (a.k.a. freight costs) are the costs incurred when moving the goods from the place of receipt or port of loading to the port of discharge or place of delivery as per issued bill of lading.

Ocean Freight Industry

EIPP Standards Advisory Board

Freight Forwarder	A Freight Forwarder is the party arranging the carriage of goods on behalf of his customer, including connected and/or additional services and/or associated formalities, as agreed with his customer as the original shipper or consignee of the cargo.
Freight Invoice	A Freight Invoice is an invoice issued by an ocean carrier for freight charges applicable to one Bill of Lading unless otherwise agreed between ocean carrier and their customer.
Full Container Load	Full Container Load (FCL) means a container is loaded and unloaded entirely under the risk and for account of a single shipper or consignee. [2]
Fumigation	A Fumigation Charge covers the treatment of the contents of a container for environmental, pest or health reasons as requested by governments, environmental or health authorities at the country of origin or destination.
Importer	An importer is the party that makes, or on whose behalf an agent or other authorized person makes an import declaration and is responsible for the payment of import duties and taxes on the imported goods.
Invoice Currency	Invoice Currency is the indicated currency for which all charge currencies on an invoice are converted to in order to total the invoice charges into a single payable amount.
Invoice Issuer	See Biller.
Less than Container Load	Less-than-Container-Load (LCL) means that the quantity of freight is less than that required for the application of a full container load.
NVOCC	A NVOCC (Non-Vessel-Operating Common Carrier) is a container and cargo consolidator in ocean trades for FCL and LCL shipments. The NVOCC buys space from a carrier and re-sells it to shippers. The NVOCC issues their own B/L, publishes tariffs where requested and otherwise conducts itself like an ocean carrier, except that it will not operate or charter ocean vessels. [2]
Ocean carrier	An Ocean Carrier is the party responsible to execute the physical transport of a customer's cargo as stated in the bill-of-lading.
Over Payment Notice	An Over Payment Notice advises the payer that there is a mismatch (over payment) between the advised payment and expected or received payment by the collector.
Payee	A Payee (a.k.a. beneficiary) is the party to whom the invoice has to be paid.
Payer	A Payer is the party responsible for paying the invoice.
Prepaid Charge	Prepaid Charge is a charge to be paid at origin.

Ocean Freight Industry

EIPP Standards Advisory Board

Remittance Advice	A Remittance Advice contains details of invoices that are being paid and credit notes that are being deducted. The Remittance Advice is sent by the payer to the collector on or immediately after the actual payment date. It advises the collector that payment was made on a named date.
SAB	Standards Advisory Board.
Sea Way Bill	A Sea Way Bill (SWB) or an Express Cargo Bill (ECB) are non-negotiable transport documents issued by the ocean carrier and NVOCC and is also the evidence of a contract of carriage. They are not documents of title. Within this document, when the term Bill of Lading is used, it covers the Bill of Lading, the Sea Way Bill and also the Express Cargo Bill.
Seller	A Seller is the party selling the goods to a buyer.
Shipment	A Shipment is an identifiable and defined quantity of goods to be transported by ship – including possible pre- and on-carriage on land - under the terms of the B/L covering a respective shipment or shipments.
Shipper	A Shipper is the party named in the B/L as the party responsible for initiating a shipment. A Freight Forwarder and NVOCC can also be a shipper in relationship to a VOCC. Exception USA for a Freight Forwarder.
Short Payment Notice	A Short Payment Notice advises the payer that there is a mismatch (under payment) between advised payments and expected or received payment by the collector.
SOP	Standard Operating Procedures are covering agreed procedures between two or more parties how various business and operational transactions are to be handled and managed. SOP are a formal document signed by the parties involved.
Standard Operating Procedures	See SOP.
Statement of Account	See Account Statement.
Summary Invoice	A Summary Invoice includes various shipments or B/Ls for which individual invoices are issued. This contents is consolidated into one Summary Invoice. The Summary Invoice can cover various B/Ls or an agreed period. Also called Bulk Invoice or Consolidated Invoice.
VOCC	A VOCC (Vessel-Operating Common Carrier) is a carrier which owns, charters and operates vessels for ocean liner services.

REFERENCES

[1] From http://en.wikipedia.org/wiki/Electronic_data_interchange

Ocean Freight Industry

EIPP Standards Advisory Board

[2] From <http://www.fmc.gov/questions/glossary.aspx>