

COMMERCIAL SHIPPING HANDBOOK

THIRD EDITION

PETER
BRODIE



informa law
from Routledge

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Greek/English – English/Greek
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RELATED TITLES

Introduction to Marine Cargo Management, Second edition, Mark Rowbotham, 2014
Freight Forwarding and Multi-Modal Transport, Second edition, David Glass, 2012
The Handbook of Maritime Economic and Business, Costas Th. Grammenos, 2010
Port Operations and Risk Management, Khalid Bichou, 2009
Risk Management in Port Operations, Logistics and Supply Chain Security,
Khalid Bichou, Mike Bell and Andrew Evans, 2009

To my late wife

Preface to the third edition

There have been many changes in the post-conference era. For example, in those parts of the world where shipping lines are no longer allowed to form themselves into liner conferences, notably in trades serving the European Union, surcharges can no longer be jointly calculated and even the method or formula used cannot be shared between lines. There are references to the new types of liner groupings.

There have been a number of new documents, charter-parties, bills of lading and others, since the last edition, and these have been included, as well as definitions of a number of new surcharges. New ship types, both dry cargo and tankers, are described.

Information on the many conventions relating to ships and cargoes has been updated, including legislation on the use of low sulphur fuel.

As always, many new acronyms and abbreviations have been added.

Peter Brodie

Preface to the second edition

Since writing the first edition of this book, major changes have occurred to the industry, in particular in relation to security and the structure of the liner industry.

Security measures have been introduced gradually since the terrorist attacks on New York in September 2001; these measures were introduced firstly in the USA itself and then elsewhere around the world. This edition includes details of the International Code for the Security of Ships and Port Facilities, aimed at ships and shipping companies, port authorities and port facilities, and the role of governments. New requirements for cargoes, introduced in the USA, are also explained.

The liner industry has undergone structural changes, with more and more groupings of companies. There have also been changes to the way it is regulated in Europe; at the time of writing, the European Commission is in the throes of removing the block exemption from competition rules hitherto afforded to liner conferences. The different groupings, and the types of trade in which they are engaged, are explained.

The work of the many industry organisations evolves, and changes have been reflected in new sections for a number of these.

A number of new abbreviations and acronyms have sprung up reflecting these changes, and these have been incorporated.

Peter Brodie, February 2006

Preface to the first edition

This book fills a need for a handbook which gives concise explanations of the many activities which comprise shipping. It is essentially a guide for the practitioner and student of both liner and tramp shipping. It explains the terms and how they inter-relate. The many areas covered include:

- documents used in international transport, for example the bill of lading and the charter-party – what they contain, the different types and examples of each;
- generic types of ships, cargoes, containers and ports;
- the many organisations whose members contribute to international transport and the aims and objectives of those organisations;
- the many surcharges found especially in liner shipping;
- chartering terms, an explanation of each and their context;
- clauses appearing in bills of lading, in voyage and time charters;
- technical elements of shipping as they relate to the commercial operation of ships, for example tides and draughts;
- examples of principal documents.

The book is divided into concise entries, each one dealing with an individual topic, for which there is an alphabetical Table of Contents. In addition, there is an alphabetical index of over 1,250 terms, showing the entries in which they can be found, and list of over 200 abbreviations, showing the term in full and the entry or entries in which the abbreviation is explained.

Peter Brodie, 1999

Acknowledgements

I wish to acknowledge the contributions made by the following organisations and their agreement to reproduce documents:

ANZESC (Australian and New Zealand/Eastern Shipping Conference)
ASBA (Association of Ship Brokers and Agents (USA) Inc)
Baltic Exchange
BIMCO (Baltic and International Maritime Council)
CLECAT (European association for forwarding, transport, logistics and customs services)
Department for Transport (UK)
ESC (European Shippers' Council)
ESPO (European Sea Ports Organisation)
Federal Maritime Commission (FMC)
FEMAS (Federation of European Maritime Associations of Surveyors and Consultants)
FIATA (International Federation of Freight Forwarders Associations)
FONASBA (Federation of National Associations of Shipbrokers and Agents)
HM Revenue & Customs
IACS (International Association of Classification Societies Ltd)
IAPH (International Association of Ports and Harbors)
ICC (International Chamber of Commerce)
ICHCA International
IHMA (International Harbour Masters' Association)
IMB (International Maritime Bureau)
IMO (International Maritime Organization)
Institute of Chartered Shipbrokers (ICS)
InterManager
International Bunker Industry Association (IBIA)
International Chamber of Shipping
International Rail Transport Committee (CIT)
Intercargo
Intertanko
ISSA (International Ship Suppliers & Services Association)
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About the author

Peter Brodie has been a Chartered Shipbroker since 1979 and winner of the Baltic Exchange prize in the Fellowship examinations of the Institute of Chartered Shipbrokers. He has spent 40 years in shipping, as a shipper, ship operator, business analyst for a software company specialising in shipping applications, marketing with an intermodal railway and, more recently, as a logistics provider.

Peter Brodie has been writing textbooks for over 35 years and is the author of four other books on shipping, including the *Dictionary of Shipping Terms*, a standard textbook published by Informa Law from Routledge and now in its sixth edition.

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List of Abbreviations

<i>Abbreviation</i>	<i>Meaning</i>	<i>See under</i>
lsb	one safe berth	Berth
ABS	American Bureau of Shipping	Classification societies; IACS (International Association of Classification Societies Ltd.)
abt	about	Chartering – offer and counter-offer
a/c	account	Chartering – offer and counter-offer
ad	area differential	Liner surcharges
AES	Automated Export System	BIMCO sundry clauses
AFRA	average freight rate assessments	London Tanker Brokers' Panel
aps	arrival pilot station	Delivery and redelivery (time-charter)
atdn	any time day or night	Delivery and redelivery (time-charter)
atutc	actual time used to count	Laytime
baf	bunker adjustment factor	Bunker surcharge; Bunkers
b/b	breakbulk	Cargo types
BCI	Baltic Capesize Index	Baltic Exchange; Indices
BCTI	Baltic Exchange Clean Tanker Index	Baltic Exchange; Indices
BDI	Baltic Dry Index	Baltic Exchange; Indices
bdn	bunker delivery note	Bunkers
BDTI	Baltic Exchange Dirty Tanker Index	Baltic Exchange; Indices
BES	Baltic Exchange Supramax	indices
bff	bunker fuel factor	Bunker surcharge
BHSI	Baltic Exchange handysize Index	indices
BIMCO	Baltic and International Maritime Council	Arrived ship, Bill of lading – common clauses; BIMCO (Baltic and International Maritime Council); BIMCO sundry clauses; BIMCO sundry time charter-parties; Contract of affreightment
BITR	Baltic Exchange International Tanker Routes Asia	indices
b/l	bill of lading	Bill of lading – common clauses; Charter-party bills of lading, waybills and cargo receipts
BLPG	Baltic Exchange LPG (index)	Baltic Exchange; Indices
b/n	booking note	Bookings
bol	bill of lading	Bill of lading – common clauses
BPI	Baltic Exchange Panamax Index	Baltic Exchange; Indices
BPOIL	Baltic Exchange Palm Oil Assessment	Indices
bs, b/s	bunker surcharge	Bunker surcharge; Bunkers; Liner surcharges
BSI	Baltic Exchange Supramax Index	Baltic Exchange; Indices
BSPA	Baltic Exchange Sale and Purchase Assessments	Baltic Exchange; Indices
buc	bunker utilisation contribution	Bunker surcharge
BV	Bureau Veritas	Classification societies; IACS (International Association of Classification Societies Ltd.)

List of Abbreviations

<i>Abbreviation</i>	<i>Meaning</i>	<i>See under</i>
bw	brackish water	Draught
cabaf	currency and bunker adjustment factor	Bunker surcharge; Currency adjustment factor; Liner surcharges
cac	currency adjustment factor	Currency adjustment factor
caf	currency adjustment factor	Currency adjustment factor; Liner surcharges
CCFI	China (Export) Containerized Freight Index	Indices
CCS	China Classification Society	Classification societies; IACS (International Association of Classification Societies Ltd.)
cfr	cost and freight	Incoterms
cfs	container freight station	Container ancillary charges; Containers and container types
charts	charterers	Chartering – offer and counter-offer
cif	cost, insurance and freight	Incoterms
cip	carriage and insurance paid to	Incoterms
coa	contract of affreightment	Contract of affreightment
cod	change of destination	Change of destination
c/p	charter-party	Charter-party bills of lading, waybills and cargo receipts
cpc	cellular palletwide container	Containers and container types
cpp	clean petroleum products	Cargo types
cpt	carriage paid to	Incoterms
CRS	Croatian Register of Shipping	Classification societies; IACS (International Association of Classification Societies Ltd.)
cs	congestion surcharge	Congestion
C-TPAT	US Customs–Trade Partnership Against Terrorism	BIMCO sundry clauses
dap	delivered at place	Incoterms
dat	delivered at terminal	Incoterms
ddp	delivered duty paid	Incoterms
dic	delivered in charge	Container ancillary charges
dly	delivery	Delivery and redelivery (time-charter)
DNV	Det Norske Veritas	Classification societies; IACS (International Association of Classification Societies Ltd.)
dop	dropping outward pilot	Delivery and redelivery (time-charter)
dpp	dirty petroleum products	Cargo types
ebaf	emergency bunker adjustment factor	Bunker surcharge
ebs	emergency bunker surcharge	Bunker surcharge
ECSI	Export Cargo Shipping Instructions	Shipping documents
ECU	European Currency Unit	Liner and conference tariffs
eiw	even if used	Laytime
ESPO	European Sea Ports Organisation	ESPO (European Sea Ports Organisation)
eta	estimated time of arrival	Voyage charter – ship's position
etc	estimated time of completion	Voyage charter – ship's position
etd	estimated time of departure	Voyage charter – ship's position
etr	estimated time of readiness	Voyage charter – ship's position
ets	estimated time of sailing	Voyage charter – ship's position
exw	ex works	Incoterms
F	fresh water load line	Freeboards and load lines
fak	freight all kinds	Container freight; Liner and conference tariffs
faf	fuel adjustment factor	Bunker surcharge; Bunkers

List of Abbreviations

<i>Abbreviation</i>	<i>Meaning</i>	<i>See under</i>
fas	free alongside; free alongside ship	Incoterms; Liner contracts
FBL	Multimodal Transport Bill of Lading	FIATA (International Federation of Freight Forwarders Associations); FIATA documents
fca	free carrier	Incoterms
f&c	full and complete cargo	Charter freight terms
fcl	full container load	Change of destination; Container ancillary charges; Container freight; Containers and container types; Liner and conference tariffs
FCR	Forwarders Certificate of Receipt	FIATA (International Federation of Freight Forwarders Associations); FIATA documents
FCT	Forwarders Certificate of Transport	FIATA (International Federation of Freight Forwarders Associations); FIATA documents
feu	forty-foot equivalent unit	Container ancillary charges; Containers and container types
ffa	Forward Freight Agreement	Indices
FFABA	Forward Freight Agreement Brokers Association	Indices
FFI	Forwarding Instructions	FIATA (International Federation of Freight Forwarders Associations); FIATA documents
fhex	Fridays and holidays excepted; Fridays and holidays excluded	Chartering – offer and counter-offer; Laytime
FIATA	International Federation of Freight Forwarders Associations	FIATA (International Federation of Freight Forwarders Associations); FIATA documents
fio	free in and out	Charter freight terms; Chartering – offer and counter-offer
fios	free in and out and stowed	Charter freight terms
fiot	free in and out and trimmed	Charter freight terms
FMC	Federal Maritime Commission	FMC (Federal Maritime Commission)
fob	free on board	Container ancillary charges; Incoterms; Liner contracts
fob's	free on board charges	Breakbulk liner ancillary charges; Container ancillary charges
foc	flag of convenience	Flag
fos	fuel oil surcharge	Bunker surcharge; Bunkers
ft	freight	Freight
fw	fresh water	Draught
fwa	fresh water allowance	Draught; Freeboards and load lines
FWB	Multimodal Transport Waybill	FIATA (International Federation of Freight Forwarders Associations)
FWR	Warehouse Receipt	FIATA (International Federation of Freight Forwarders Associations); FIATA documents
ga	general average	Bill of lading – common clauses
GL	Germanischer Lloyd	Classification societies; IACS (International Association of Classification Societies Ltd.)
gp (container); gp (box)	general purpose (container)	Container ancillary charges; Containers and container types
gri	general rate increase	Liner and conference tariffs
grt	gross register tonnage or gross registered tonnage	International Convention on Tonnage Measurement of Ships

List of Abbreviations

<i>Abbreviation</i>	<i>Meaning</i>	<i>See under</i>
gt (1)	gross terms	Charter freight terms
gt (2)	gross tonnage	International Convention on Tonnage Measurement of Ships
hfo	heavy fuel oil	Bunkers
hl	heavy lift charge	Breakbulk liner ancillary charges
hla	heavy lift additional	Breakbulk liner ancillary charges
hlc	heavy lift charge	Breakbulk liner ancillary charges
HRS	Hellenic Register of Shipping	Classification societies
IACS	International Association of Classification Societies Ltd.	IACS (International Association of Classification Societies Ltd.)
iaf	inflation adjustment factor	Liner surcharges
IBIA	International Bunker Industry Association	International Bunker Industry Association
icd	inland container depot	Container freight
ICS (1)	International Chamber of Shipping	International Chamber of Shipping
ICS (2)	Institute of Chartered Shipbrokers	ICS
ifp	interim fuel participation	Bunker surcharge; Bunkers
IHMA	International Harbour Masters' Association	International Harbour Masters' Association
ilcc	index-linked container contract	Indices
IMB	International Maritime Bureau	IMB (International Maritime Bureau)
IMO	International Maritime Organization	Ballast; BIMCO (Baltic and International Maritime Council); Convention on Limitation of Liability for Maritime Claims (LLMC); Convention relating to Civil Liability in the Field of Maritime Carriage of Nuclear Material (NUCLEAR); International Bunker Industry Association; International Convention for Safe Containers (CSC); International Convention for the Control and Management of Ships' Ballast Water and Sediments (BWM); International Convention on Load Lines; International Maritime Organization; International Code for the Security of Ships and Port Facilities; International Convention for the Prevention of Pollution from Ships (MARPOL); International Convention for the Safety of Life at Sea (SOLAS), 1974; International Convention on Oil Pollution Preparedness, Response and Co-operation (OPRC); International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW); International Convention on Tonnage Measurement of Ships; ISM Code; Protocol on Preparedness, Response and Co-operation to pollution Incidents by Hazardous and Noxious