



**Westlink**  
S H I P P I N G

# Terminology SHIPPING

## **FIOS (FREE IN, OUT, STOWED) :**

It is most important to remember that the "Free" reference is viewed from the Ship Owners point of view - not the Shipper's. Some Shippers get caught out when they read the word "Free" as they incorrectly believe that it refers to them.

Freight rates quoted on a FIOS basis specifically exclude all aspects relating to cargo handling operations. The ship is only responsible for expenses arising as a result of the ship calling into the port, i.e. tugs, pilots and light dues etc. Another very important consideration when booking cargo on FIOS terms is that the ship does not bear any responsibility for the speed of loading or discharging.

Usually the rate agreed includes a fixed "free" period of time for loading/discharging operations, after which time a daily demurrage is incurred. Obviously this is of paramount importance where port congestion or stevedoring performance is uncertain. There are many overseas ports which fall into this category and particularly where vessel demurrage rates can vary significantly, depending on the size and type of ship nominated to undertake the particular project.

## **LINER TERMS - GENERAL STATEMENT :**

Liner Terms is a very ambiguous statement and can be interpreted in a variety of ways in different parts of the world and by different Ship Owners/Agents. Personally we would prefer to clearly define the extent of responsibility when quoting on this basis.

## **LINER TERMS HOOK / HOOK :**

Given that this is a notional point in chartering terms, this is best described as the Shipper/Receiver arranging for delivery/receipt of cargo to/from directly under ship's hook and the ship paying for the labour to stow the cargo in the vessel's cargo holds, as well as on-board lashing & securing and provision of dunnage materials, and to discharge again over the ship's side. Shore based stevedoring aspects remain the responsibility of the shipper/receiver, however, there are some Owners that may incorporate these costs into their LTHH rate. Once again, ask Owners to clearly define this aspect.

Wharfage charges/dues/taxes can be a contentious issue but are usually considered to be for the Shippers/Receivers account and there may also be many other statutory levies on cargo or freight that may apply. Many Shippers/Receivers are unaware of these additional costs and do not include them into their costing and consequently may be left with an unexpected considerable expense at the completion of a project.

## **FULL LINER TERMS :**

This is somewhat a vaguer term given different port practices. However, it generally implies that the freight amount provided includes both shore based and on-board stevedoring, lashing/unlashing, dunnage materials, securing/unsecuring and all costs of presenting to/receiving the cargo from the ship's side; with the shippers/receivers just bearing the cost of discharging from/reloading to the transport, along with the usual port charges/levies/taxes etc.

Frequently the terms are varied at different ends of the voyage i.e. FILO (Free In/Liner Out), LIFO (Liner In Free Out) or FIFO (Free In/Free Out) etc. To be absolutely sure of all liabilities, it is always advisable to request that terms clearly and concisely indicate what is/isn't included in your particular contract - in layman's terms.

## **SEE NEXT PAGES**

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ABBREVIATION	MEANING
AA	Always Afloat
AAAA	Always Accessible Always Afloat
AAOSA	Always Afloat or Safe Aground. Condition for a vessel whilst in port
AARA	Amsterdam-Antwerp-Rotterdam Area
ABFT	Toward the rear (stern) of the ship. Behind.
ABOARD	On or within the ship
ABOVE DECK	On the deck (not over it - see ALOFT)
ABT	About
ADCOM	Address Commission
ADDENDUM	Additional chartering terms at the end of a charter party
AFSPS	Arrival First Sea Pilot Station (Norway)
AFFREIGHTMENT	The hiring of a ship in whole or part
AFT	At or towards the stern or rear of a ship
AGROUND	Touching or fast to the bottom
AGW	All Going Well
AHL	Australian Hold Ladders
AIDS TO NAVIGATION	Artificial objects to supplement natural landmarks indicating safe and unsafe waters
ALOFT	Above the deck of the ship
AMIDSHIPS	In or toward the centre of the ship
ANCHORAGE	A place suitable for anchorage in relation to the wind, seas and bottom
ANTHAM	Antwerp-Hamburg Range
APS	Arrival Pilot Station
ARAG	Amsterdam-Rotterdam--Antwerp-Gent Range
ARBITRATION	Method of settling disputes which is usually binding on parties. A clause usually in a charter party
A/S	Alongside
ASBA	American Shipbrokers Association
ASPW	Any Safe Port in the World
ASTERN	In the back of the ship, opposite of ahead
ATDNSHINC	Any Time Day/Night Sundays and Holidays Included
ATHWARTSHIPS	At right angles to the centreline of the ship
ATUTC	Actual Times Used to Count
BACKLETTER	Where a seller/shipper issues a 'letter of indemnity' in favour of the carrier in exchange for a clean bill of lading
BAF	Bunker Adjustment Factor. A Fuel Surcharge expressed as a percentage added or subtracted from the freight amount, reflecting the movement in the market place price for bunkers.
BALE CAP.	Cubic capacity of a vessels holds to carry packaged dry cargo such as bales/pallets
BALLAST	Heavy weight, often sea water, necessary for the stability and safety of a ship which is not carrying cargo
BALLAST BONUS	Compensation for relatively long ballast voyage
BAREBOAT CHTR.	Bareboat Charter - Owners lease a specific ship and control its technical management and commercial operations only. Charterers take over all responsibility for the operation of the vessel and expenses for the duration.
BBB	Before Breaking Bulk. Refers to freight payments that must be received before discharge of a vessel commences
BDI	Both Dates Inclusive
BEAM	The maximum breadth or the greatest width of a ship
BELOW	Beneath the deck

ABBREVIATION	MEANING
BENDS	Both Ends (Load & Discharge Ports)
BI	Both Inclusive
BIMCO	The Baltic and International Maritime Council
BL1	Bale
BL2	(Bill of Lading) A document signed by the carrier which acts as a Contract of Affreightment, a receipt and evidence of title to the cargo.
BM	Beam
BN	Booking Note
BOB	Bunker on Board
BOFFER	Best Offer
BOW	The forward part of a ship
BROB	Bunkers Remaining on Board
BROKERAGE	Percentage of freight payable to broker (by owners in c/p's) or applicable to sale or purchase
BSS	Basis
BSS 1/1	Basis 1 Port to 1 Port
BT	Berth Terms
BULKHEAD	A vertical partition separating compartments
BUNDLING	This is the assembly of pieces of cargo, secured into one manageable unit. This is relevant to items such as Structural Steel, Handrails, Stairways etc. Whilst this is a very flexible description, a rule of thumb is to present cargo at a size easily handled by a large (20 tonne) fork lift.
BUNKERS	Name given for vessels Fuel and Diesel Oil supplies (Originates from coal bunkers)
BUOY	An anchored float used for marking a position on the water or a hazard or a shoal and for mooring
BWAD	Brackish Water Arrival Draft
CAF	Currency Adjustment Factor
CBM	Cubic Metres
CBFT (or CFT)	Cubic Feet
CFR (or C&F)	Cost and Freight
CHART	A map used by navigators
CHOPT	Charterers Option
CHTRS	Charterers
CIF	Cost, Insurance & Freight. Seller pays all these costs to a nominated port or place of discharge.
CKD	Completely knocked down
COA	Contract of Affreightment - Owners agree to accept a cost per revenue tonne for cargo carried on a specific number of voyages.
CIP	Carriage and Insurance paid to...
COACP	Contract of Affreightment Charter Party
COB	Closing of Business
COBLDN	Closing of Business London
COD	Cash On Delivery
COGSA	Carriage of Goods by Sea Act
CONGESTION	Port/berth delays
CONS	Consumption
C/SNEE	CONSIGNEE. Name of agent, company or person receiving consignment
COP	Custom Of Port
CP (or C/P)	Charter Party
CPD	Charterers Pay Dues

ABBREVIATION	MEANING
CPT	Carriage Paid To
CQD	Customary Quick Despatch
CR	Current Rate
CROB	Cargo Remaining on Board
CRN	Crane
CRT	Cargo Retention Clauses, introduced by charterers based on shortage of delivered cargo because of increased oil prices
CST	Centistoke
CTR	Container Fitted
DA	Disbursement Account
DAF	Deliver At Frontier
DAPS	Days all Purposes (Total days for loading & discharging)
DAMFORDET	Damages for Detention. Penalty if cargo is not ready when ship arrives for working (1st day of Laycan). This is not detention which is charged for ships time on delay. If the cargo is ready there is no DAMFORDET.
DDU	Delivered Duty unpaid.
DDP	Delivered Duty Paid.
DECK	A permanent covering over a compartment, hull or any part thereof
DEM	Demurrage (Quay Rent). Money paid by the shipper for the occupying port space beyond a specified "Free Time" period.
DEQ	Delivered Ex Quay
DES	Delivered Ex Ship
DESP	Despatch. Time saved, reward for quick turnaround- in dry cargo only
DET	Detention (See DAMFORDET)
DEV	Deviation. Vessel departure from specified voyage course
DFRT	Deadfreight. Space booked by shipper or charterer on a vessel but not used
DHDATSBE	Despatch Half Demurrage on All Time Saved Both Ends
DHDWTSBE	Despatch Half Demurrage on Working Time Saved Both Ends
DISCH	Discharge
DK	Deck
DLOSP	Dropping Last Outwards Sea Pilot (Norway)
DO	Diesel Oil
DOLSP	Dropping Off Last Sea Pilot (Norway)
DOP	Dropping Outward Pilot
DOT	Department of Transport
DNCAOSLONL	Discountless and Non-Returnable Cargo and/or Ship Lost or Not Lost
DRAUGHT (or DRAFT)	Depth to which a ship is immersed in water. The depth varies according to the design of the ship and will be greater or lesser depending not only on the weight of the ship and everything on board, but also on the density of the water in which the ship is lying.
DRK	Derrick
DUNNAGE	Materials of various types, often timber or matting, placed among the cargo for separation, and hence protection from damage, for ventilation and, in the case of certain cargoes, to provide space in which the tynes of a fork lift truck may be inserted.

ABBREVIATION	MEANING
DWAT (or DWT)	Deadweight. Weight of cargo, stores and water, i.e. the difference between lightship and loaded displacement.
EBB	A receding current
EC	East Coast
EIU	Even If Used
ELVENT	Electric Ventilation
ETA	Estimated Time of Arrival
ETC	Estimated Time of Completion
ETD	Estimated Time of Departure
ETS	Estimated Time of Sailing
EXW	Ex Works
FAC	Fast as can
FAS	Free Alongside Ship. Seller delivers goods to appropriate dock or terminal at port of embarkation and buyer covers costs and risks of loading
FCA	Free to Carrier. A modern equivalent of FAS used in intermodal transport where goods are transferred at a nominated forwarders premises, depot or terminal but not actually on board vessel.
FD (FDIS)	Free Discharge
FDD	Freight Demurrage Deadfreight
FDESP	Free Despatch
FDEDANRSAOCLONL	Freight Deemed Earned, Discountless And Non-Returnable (Refundable) Ship And Or Cargo Lost Or Not Lost
FENDER	A cushion, placed between ships, or between a ship and a pier, to prevent damage
FEU	Standard 40' Container
FHEX	Fridays/Holidays Excluded
FHINC	Fridays/Holidays Included
FILO	Free In/Liner Out. Seafreight with which the shipper pays load costs and the carrier pays for discharge costs.
FIO	Free In/Out. Freight booked FIO includes the seafreight, but no loading/discharging costs, i.e. the charterer pays for cost of loading/discharging cargo.
FIOS	Free In/Out Stowed. As per FIO, but excludes stowage costs.
FIOST	Free In/Out and Trimmed. Charterer pays for cost of loading/discharging cargo, including stowage and trimming.
FIOT	Free In/Out and Trimmed. As per FIOS but includes trimming, e.g. the levelling of bulk cargoes. FIOS includes seafreight, but excludes loading/discharging and stowage costs.
FIT	Free In Trimmed
FIW	Free In Wagon
FIXING	Chartering a Vessel
FIXTURE	Conclusion of shipbrokers negotiations to charter a ship - an agreement
FLATPACKING	Cargo to be presented stacked and secured as an integral unit.
FLT	Full Liner Terms
FMC	Federal Maritime Commission
FME	Force Majeure Excepted
FMS	Fathoms

ABBREVIATION	MEANING
F01	For Orders
F02 (IFO)	Fuel Oil/Intermediate FO
F03	Free Out
FOB	Free on Board. Seller sees the goods "over the ship's rail" on to the ship which is arranged and paid for by the buyer
FOFFER	Firm Offer
FOG	For Our Guidance
FOQ	Free On Quay
FOR	Free On Rail
FORCE MAJEURE	Clause limiting responsibilities of the charterers, shippers and receivers of cargo.
FORE-AND-AFT	In a line parallel to the keel
FORWARD	Toward the bow of the ship
FOT	Free On Truck
FOW1	First Open Water
FOW2	Free On Wharf
FP	Free Pratique. Clearance by the Health Authorities
FR	First Refusal. First attempt at best offer that can be matched
FREEBOARD	The minimum vertical distance from the surface of the water to the gunwale
FRT	Freight. Money payable on delivery of cargo in a mercantile condition
FREE DESPATCH	If loading/discharging achieved sooner than agreed, there will be no freight money returned.
FREE EXINS	Free of any Extra Insurance (Owners)
FREE OUT	Free of discharge costs to owners. Includes seafreight only.
FRUSTRATION	Charterers when cancelling agreement sometimes quote 'doctrine of frustration' i.e. vessel is lost, extensive delays.
FWAD	Fresh Water Arrival Draft
FWDD	Fresh Water Departure Draft
FYG	For Your Guidance
FYI	For Your Information