**AA**

Always Afloat. A charter party clause which stipulates that the ship is to berth for loading or discharging without touching the bottom of the sea/river/waterway etc. In many cases, owners may agree for the ship to touch on harmless grounds when low tide occurs.

**ABANDONMENT**

An insurance term which is invariably enforced by the assured when the subject matter insured becomes a Constructive Total Loss.

**ABS**

American Bureau of Shipping. American classification society.

**ACBPS**

Australia Customs and Border Protection Service

**ACT OF GOD**

An inevitable event occurring without human intervention such as flood, tempest, or death. Operates in certain contracts such as those of insurers or carriers.

**ADF**

Australian Defence Force. A collective term covering all services Army, Navy and Air Force.

**ADDRESS COMMISSION**

A remuneration allowed to Charterers on some charter parties after the Bills of Lading are signed. This virtually reduces the rate of freight.

**ADMIRALTY MARSHAL**

The role of the Admiralty Marshal of the Federal Court of Australia is to take custody of a ship under arrest and to maintain the ship until such time as it is released by the Court or sold pursuant to an order of the Court.

**AD VALOREM**

According to the value. The term is usually applied to part or all of the ocean freight on goods that is assessed on a percentage of the value of those goods.

**AFFREIGHTMENT**

A contract to carry goods by ship, which might be either verbal or written. In the Liner Trade a verbal contract is created when cargo is booked and then accepted by the carrier. Charter Parties are Contracts of Affreightment.

**AGENT**

A person or company authorised to act on behalf of a principal. The authority is usually expressed in an agency agreement which will include details of the fee payable to the agent by the principal and the limits of the authority of the agent.

**AGROUND**

A ship is termed “aground” when it touched hard ground.

**AIS**

Automatic Identification System. A high frequency radio (VHF) broadcasting system that transfers packets of data over the VHF data link and enables AIS equipped vessels and shore based stations to receive identification information that can be displayed on an electronic chart, computer display or compatible radar. This information can help in situational awareness and provide a means to assist in collision avoidance.

**ALL RISKS**

The term applied to a marine insurance policy that incorporates Institute Cargo Clause (A) that is the widest of all policies covering all possible risks with the exception of those specifically named as Exclusions.

**AMBIENT TEMPERATURE**

The temperature of a substance surrounding a body. The ambient temperature of a container - reefer or dry, would be the temperature of the air to which it is exposed outside.

**AMC**

Australian Maritime College based at Launceston, Tasmania. Integrated as a unit of the University of Tasmania.

**AMERICAN BUREAU OF SHIPPING (ABS)**

A ship classification society that verifies that marine vessels and offshore structures comply with the Rules that the society has established for design, construction and periodic survey.

**AMSA**

Australia Maritime Safety Authority. A largely self-funded government agency with the charter of enhancing efficiency in the delivery of safety and other services to the Australian maritime industry.

**ANZCERTA**

Australia-New Zealand Closer Economic Relations Trade Agreement. A bi-lateral agreement between Australia and New Zealand mostly concerned with free trade status.

**APEC**

Asia Pacific Economic Cooperation. A multi-lateral forum that works to facilitate economic growth, cooperation, trade and investment in the Asia-Pacific region. APEC has 21 Member Economies; Australia is a founding member.

**APSA**

Australian Peak Shippers Association Inc. The Designated Peak Shipper Body granted status under Part X of the Consumer & Competition Act to represent the interests of Australian exporters generally in relation to outwards liner shipping services from Australia.

**ARBITRATION**

A method of dispute resolution involving a third party – the arbitrator, whose decision is usually binding on all parties concerned. Specific clauses are included in most maritime contracts.

**ARREST or SEIZURE**

An official warrant of arrest or seizure of a ship issued by a court on behalf of a claimant/creditor for any one of a variety of maritime claims. These claims are listed in the International Convention on the Arrest of Ships 1999. This Convention came into force in 2011 but not all countries are signatories.

**ARRIVED SHIP**

A shipping phrase used in conjunction with the agreed terms of the charter party. A ship has arrived when she is within the precincts of the port or, confirmed to be in a specific agreed location and stated in the charter party.

**ASA**

Australian Shipowners Association. The national association representing Australian companies who own or operate international and/or domestic trading ships, cruise ships, domestic towage, salvage craft and other vessels.

**ASEAN**

Association of South East Asian Nations. A partnership of ten Asian nations formed in 1967. Australia is not a member nation but has concluded a free trade agreement with ASEAN countries.

**ATL**

Actual Total Loss. When the subject matter has been destroyed beyond repair; if the damage or repairs necessary will exceed the valued policy, it would be considered as an ATL.

**ATSB**

Australian Transport Safety Bureau based in Canberra. The ATSB conducts independent investigations into accidents and serious incidents involving Australian registered ships worldwide and also foreign flag ships operating in Australian waters. ATSB has a similar responsibility with other transport modes.

**AUSREP**

Australian Ship Reporting System is a ship reporting system designed to contribute to safety of life at sea. It is an integral part of the Australian Rescue Coordination Centre operated by the Australian Maritime Safety Authority in Canberra. Participation is mandatory for certain ships in Australia’s region while others are encouraged to participate while in Australian waters.

**AVERAGE ADJUSTER**

An expert in the law and practice of marine insurance and general average who provides professional and independent advice on the claims arising from marine casualties.

**AVGAS**

High octane aviation gasoline used in piston-typed aircraft engines.

**+ MALTESE CROSS**

In Lloyd’s Register of Ships it denotes that the vessel was constructed under the supervision and in accordance with the rules and regulations of Lloyd’s Register.

**100A1**

Lloyd’s classification denoting that the ship is constructed of iron and steel material and is classed with Lloyd’s.

**BACK FREIGHT**

Arises when goods have been despatched to a certain port but on arrival the goods are rejected by the consignee. The freight charged for the return of the goods to the origin port constitutes Back Freight. Usually confined to the Liner Trade.

**BAF**

Bunker Adjustment Factor. A charge, usually expressed as a percentage of the ocean freight, charged by the carrier to offset fluctuations in the price of fuel oil. Confined to the Liner Trade.

**BALE CAPACITY**

Hold space available for cargo measured according to volume – cbm, to the inside of the cargo battens, on the frames and to the underside of the beams. It is the measure of hold capacity for cargo in bales or on pallets etc where it does not conform to the shape of the shape of the ship.

**BALLAST**

When a ship is empty of cargo – known as “light ship” condition, the ship is likely to be unstable in the open sea. Ballast usually in the form of water is pumped into ballast tanks to help stabilise the vessel. That ballast water must be discharged before loading can commence. Strict conditions apply as to where and under what conditions that ballast water can be discharged.

**BALTEX**

A freight derivatives market operated by the Baltic Exchange, London. Baltex is a neutral, central and approved multilateral trading facility for dry freight. It is the world’s only independent provider of dry bulk shipping indices and route assessments.

**BALTIC EXCHANGE**

A private company based in London that collects ship fixture rate information and produces daily analyses of the main dry cargo markets as they develop.

**BANKRUPT**

A term applied by a court to a person not able to repay creditors. In Australia companies do not become bankrupt or placed in administration without a direction by a court and are subject to conditions expressed in federal legislation.

**BAREBOAT CHARTER**

Also known as a Demise Charter. A charter under which the charterer takes complete control of the ship usually including providing the Master and crew. Some capital costs remain the Owner’s responsibility. Normally a long-term charter i.e. years.

**BARGE**

Usually a flat bottomed wooden or steel vessel customarily used in commercial ship canals and in ports where ships are unable to load/unload cargo due to shallow draughts. Barges can be used in connection with shoreside cargo operations enabling work to be carried out on both sides of the ship.

**BARRATRY**

Any wrongful action committed by the crew or master, e.g. scuttling the ship, throwing the cargo overboard.

**BARREL**

A volumetric unit of measure for crude oil and petroleum products. 1 barrel equals 42 US gallons, 35 imperial gallons or 159 litres.

**BAY PLAN**

A document produced by a container terminal/stevedore in conjunction with the Chief Officer of the ships that shows the bay/cell position of every container loaded on the ship at that port. The cumulative process of loading containers at following ports will include those containers to produce the final Bay Plan for a voyage.

**BAUXITE**

A naturally occurring raw material used in the manufacture of Aluminium. Australia’s major deposits are in North Queensland and shipped through the Ports of Weipa and Gove to Australian and overseas smelters.

**BEAUFORT WIND SCALE**

A scale 0 to 12, that measures wind speed from 0 – Calm, to 12+ - Hurricane.

**BERTH TERMS**

The cost of loading and discharging is for the account of the shipowner. Same as for Liner Terms.

**BILL OF EXCHANGE**

An order in writing from one person/company to another requiring them to pay a certain sum to a person/company named on the document, at a specified time and subject to certain conditions.

**BILL OF LADING**

In the Liner Trade a document issued by the carrier which is a receipt for the goods loaded on a ship and is the evidence of a contract of affreightment between the carrier and the shipper. The Bill is also evidence of title to the goods described and specifies the carrier’s terms and conditions of carriage. For a ship under charter the function of Bill, usually produced by the Charterer to be signed by the Master/Agent, will be specified in Charter Party. There are many types of Bills: see separate entries for Received for Shipment, Express, House, Through, Claused, Combined Transport.

**BIMCO**

The Baltic and International Maritime Council, based in Copenhagen. It is an independent shipping association with a membership comprising shipowners, managers, brokers, agents and other stakeholders with vested interests in the shipping industry. BIMCO acts on behalf of its global membership to promote higher standards and greater harmony in regulatory matters. BIMCO also produces a large range of documents used in shipping operations.

**BIOSECURITY RISK MATERIAL**

Biosecurity Risk Material. Includes but is not limited to live insects, seeds, soil, dirt, clay, animal material, plant materials such as straw, twigs, leaves, roots, bark, food refuse and other debris.

**BOARDING GROUND**

A designated area outside the entry point into a port where a ship must stop and position itself to take on board a Pilot who will guide the ship into the port. Where Pilotage is compulsory through a particular or route such as in the Great Barrier Reef Marine Park, the Boarding Ground will not necessarily be at a port entrance but at sea. In these cases the Pilot might board/disembark by helicopter.

**BOLLARD PULL**

A measure of the pulling power of a tug in tons. It is an indication of the maximum pulling force that a tug can exert on another ship or object.

**BOLSTER**

A container platform usually conforming to the ISO dimensions – 20ft and 40ft, without ends and used for transporting out-of-gauge/awkward cargoes on container ships.

**BOND**

A secure area/building where goods that are subject to Customs control usually due to unpaid import duty, are stored pending Customs clearance.

**BONDED GOODS**

Imported goods under Customs control or deposited in a Customs Bond until import duty is paid.

**BORDER AGENCIES**

The term applied to those Australian Government agencies that have a responsibility of ensuring the integrity of Australia’s borders. These agencies are the Australian Customs and Border Protection Service, Department of Agriculture and the Department of Immigration and Border Protection.

**BOTTOMRY**

A form of mortgage whereby the owner or master of the ship pledges the ship (the keel or bottom hence bottomry) as security for a loan to complete the voyage of the ship. The freight to be earned might be included. A process rarely used due to other financing methods available. Associated with *Respondentia* which is later explained.

**BREAK BULK CARGO**

General cargo carried on a ship which is not containerised but may be unitised/consolidated on pallets for ease of handling and stowage. The term includes reefer cargo.

**BROKEN STOWAGE**

Where cargo is of such a kind that it cannot fill all available space in the cargo hold of a ship, e.g logs or bundles of timber. The unusable space is called Broken Stowage.

**BULK CARGO**

Either dry cargo – Iron Ore, Coal, Grain etc or liquid – Crude Oil, Petroleum Products, which is loaded and carried without packaging of any kind. Usually in full ship loads but also in smaller parcels.

**BULKHEAD**

A vertical steel partition separating holds/compartments in a ship.

**BUNKERS**

Fuel in the form of heavy fuel oil, diesel or coal used in ship’s engines.

**BUREAU VERITAS (BV)**

Bureau Veritas. A ship classification society based in France and register of shipping and officially authorised for the assignment of freeboard on ships. As a class society it is involved in ensuring that a ship operates according to a high level of internationally recognised safety standards.

**CABOTAGE**

The coastwise movement of goods between national ports, e.g. Australia. Under Australia’s Navigation Act 1912 this movement is reserved for national flag carriers or for ships licensed by the Department of Infrastructure and Transport, or for which a Permit has been issued.

**CAF**

Currency Adjustment Factor. A surcharge levied by liner trade operators, usually in the form of a percentage of the ocean freight, to cater for fluctuations in foreign currency exchange rates against the Australian Dollar.

**CAN**

Customs Authority Number. A nine character alpha numeric code issued by the Australian Customs. All goods to be exported from Australia must be accompanied by a valid CAN. Exceptions are personal effects and low value items.

**CANCELLATION DATE**

A Charter Party term. The charterers have the option to cancel the contract or their commitments with the shipowner/operator of the ship if the vessel is not delivered at the agreed loading port within the prescribed time. Abbreviation Laycan.

**CAPACITY PLAN**

A plan of a ship showing her loading capacity. This is an essential item when the ship is loading for good stowage and utilisation of space.

**CAPE SIZE**

An ill-defined standard in terms of tonnage but applied to ships that are too large to transit either the Panama Canal or the Suez Canal and must proceed via either Cape Horn or the Cape of Good Hope. Tonnage size ranges from approximately 90,000 dwt.

**CARGO CARRYING CAPACITY**

A term that can be expressed in different ways. Capacity might be stated in tonnes or volume in cubic metres. See Deadweight (DWT) also DWAT, Grain Capacity and Bale Capacity.

**CARRIER**

In the context of shipping this term related to the shipowner/operator.

**CELLULAR CONTAINER SHIP**

A ship constructed for the purpose of carrying containers with the holds fitted with vertical guides “Cell Guides” into which containers are slotted and lowered to form secure stacks restrained on all four corners. On some ships the cell guides extend above the deck.

**CENTISTOKES**

A way of measuring the viscosity of oil similar to seconds. Abbreviation CSC.

**CERTIFICATE OF REGISTRATION**

A certificate issued by a government authority that signifies the ship’s nationality. In Australia the Certificate is issued by the Australian Maritime Safety Authority and will include the port of registration, official number, and name of the owner, date of construction, ship type and general dimensions.

**CERTIFICATE OF ORIGIN**

A document certifying the country in which the goods were grown, produced, manufactured etc as required. The Certificate is usually required to be independently certified by a chamber of commerce or similar body. Used by Customs at the importing country to determine the level of import duty, if any.

**CFR**

Cost and Freight. An Incoterm 2010 which means that the selling price covers the cost of the goods sold and the ocean freight to transport the goods to the named destination port. Marine insurance is either arranged by the buyer or the goods are not covered by insurance.

**CHARTERER**

A company or a person who hires a ship from the owner/operator either on a voyage or time basis.

**CHARTER PARTY**

A written contract/agreement between a shipowner/operator and a charterer which sets out the terms and conditions under which the ship is chartered either for a voyage(s) or for a specified time. There are different charter party forms for different cargoes.

**CHILLED CARGO**

*Different products have different carrying temperature levels and these should be consulted. This is an explanation only.*

Chilled cargo such as fresh fruit and vegetables, fresh meats and dairy products, usually travel plus or minus 0.5O C of the particular set point which may be above minus 10OC. Chilled products must be packed in the container to ensure that cold air circulates through the entire load. For chilled cargo the temperature is controlled by the supply air temperature sensor.

**CIF**

Cost Insurance Freight. An Incoterm which means that the seller has the same obligations as under CFR but with the addition that the seller has to obtain marine insurance for the cargo against the buyer’s risk of loss or damage to the goods during carriage.

**CLASS**

Refers to the classification society that the ship has been entered into by the shipowner. The expression “ships in class” refers to ship currently classified by a classification society such as Lloyd’s Register.

**CLASSIFICATION SOCIETY**

An organisation that establishes and applies technical standards in relation to the design, construction, compliance verification and survey of ships and other marine related structures, e.g Lloyd’s Register, American Bureau of Shipping.

**CLAUSED BILL OF LADING**

An ocean bill of lading that carries an endorsement by the carrier stating that the goods were not received in good order and condition. Also termed “Foul Bill of Lading” and “Dirty Bill”.

**CLEAN BILL OF LADING**

A Bill of Lading that carries no qualification or endorsement that the goods have been shipped in anything other than good order and condition.

**COA**

Contract of Affreightment. See Affreightment above.

**COAL-OREVOYBILL**

The Bill of Lading used for shipments on vessels chartered on the COAL-OREVOY Charter. Produced by BIMCO.

**CoGSA**

Australian Carriage of Goods by Sea Act 1991.

**COLD IRONING**

An alternative source of electrical power from shore supplying power while the ship’s main and auxiliary engines are turned off during cargo unloading/loading operations. Also called Alternative Maritime Power (AMP) or Shore Power.

**COMBINED TRANSPORT**

The carriage of cargo by at least two different modes of transport from a place at which the goods are accepted, possibly at an inland location in one county and carried by ship to another country with final delivery also possibly inland. The responsibility for the safe movement of the cargo remains with the ocean carrier who issues the Combined Transport Bill of Lading.

**COMBI SHIP**

A term that is used to describe a ship designed to carry both break bulk cargo and containers.

**COMMERCIAL INVOICE**

A document usually produced by the seller that provides details of the pricing of the goods covered by the contract of sale between the seller and buyer. Also used by Customs in determining the value of the goods for import duty purposes, if applicable.

**COMMERCIAL RISKS**

These risks include insolvency, payment default and contract repudiation. In the export/import of goods these relate to the ability and willingness of buyers and overseas banks to pay for the goods.

**COMMON CARRIER**

The term applied to a company that holds itself out to accept any cargo for shipment as in the case of most freight forwarders. However, if that company refuses to accept the cargo they cease to be a Common Carrier. Shipping companies in most cases are not Common Carriers as they contend they have no obligation to accept any cargo that is offered and have the right to refuse to accept it.

**COMMON USER BERTH**

A cargo berth within a port that is owned and maintained by the port authority and is available to any stevedoring company for handling cargo to/from a ship as compared to a container terminal that is leased to one stevedore and not available to other stevedores.

**COMPRESSOR**

In the refrigerating machinery in an integrated reefer container, the compressor is the heart of the system. The compressor draws the low pressure, low temperature superheated vapour from the evaporator outlet. This vapour travels down the suction line to the compressor suction side. The compressor keeps the pressure in the evaporator low to keep the refrigerant boiling temperature low. This allows the system to achieve low temperatures in the controlled space. Most compressors are now scroll type replacing traditional piston units.

**CONDENSER**

In a reefer container the condenser is a heat exchanger. The refrigerant having given up much of its heat in the condenser will condense to a liquid to a temperature below its boiling point. The condenser will be removing heat while it subcools the liquid refrigerant.

**CONFERENCE (LINER)**

An association of liner shipping companies/operators who agree to offer a common freight tariff and who rationalise sailings to provide regular and adequate services to a specified range of ports. In Australia Conference operation is regulated under the Consumer and Competition Act 2010. The agreement between the member lines of the Conference must be registered with the Australian Department of Infrastructure and Transport. This type of agreement is becoming comparatively rare as less restrictive agreements still requiring registration, come into operation.

**CONLINEBILL 2000**

Standard Liner Bill of Lading produced by BIMCO.

**CONSECUTIVE DAYS**

A charter party term referring to laydays that are calculated irrespective of Saturdays, Sundays or holidays.

**CONSIGNEE**

The person or company to whom the goods are directed and whose name appears on the Bill of Lading or other document as the person/company authorised to receive and take delivery of the goods.

**CONSIGNOR**

The person or company responsible for sending the goods.

**CONSOLIDATOR**

A transport company, freight forwarder, logistics provider that receives small consignments from different shippers that constitute less than a container load and groups these with compatible goods for the same destination into a full container load (FCL). The container is consigned to the consolidator’s agent at the destination port, unpacked and the different consignments delivered to the respective consignees.

**CONSORTIA**

A consortia is formed from a number of shipping companies who combine their ship capacity and capital resources in order to offer a shipping service for the carriage of containers and in some cases also break bulk cargo. The agreement between members of the consortia might require registration as in the case of Conferences.

**CONTAINERISATION**

A term generally used to describe a period – 1950s, during which initial moves were made to carry cargo previously handled as break bulk, in containers. Usually attributed to Malcolm P McLean and services inaugurated by his company Sealand, between New Jersey and Puerto Rico. After a short time the concept spread worldwide.

**CONTROLLED ATMOSPHERE**

The process of managing various levels of temperature and humidity within a reefer container to ensure the safe carriage of commodities within the container.

**CONSTRUCTIVE TOTAL LOSS**

CTL. When the subject matter becomes damaged beyond repair or if the anticipated payment of the expenses would exceed the insured value, it is considered to be a CTL. The assured files a Notice of Abandonment with the underwriters in consideration for this loss.

**CONTAINER**

A standardised transportable steel box used for unitised cargo transportation. The most common container sizes in international seaborne trade are 20 feet (TEU) and 40 feet (FEU). Also referred to as CTU – Cargo Transport Units.

**CONTAINER DEMURRAGE**

Charge payable usually to a container terminal operator when the import container exceeds the free storage period at the terminal.

**CONTAINER DETENTION**

Charge payable to the carrier when the consignee fails to return the empty container to the carrier after unpacking within the time specified by the carrier.

**CONTAINER FREIGHT STATION**

A place where containers are packed and unpacked as distinct from the shipper’s/consignee’s premises.

**CONTAINER INVENTORY**

Records maintained by a shipping company that enables them to monitor the number and type of containers under their control that they have available for release to a cargo exporter. Often called container control or container logistics. The same records are maintained by container leasing companies.

**CONTAINER TERMINAL**

A location in a port where ships berth to discharge and load containers.

**CONVENTION**

In relation to shipping the term applied to regulations developed through the International Maritime Organisation that are finally ratified by governments, adapted in national legislation and enforced by agencies within those countries. The UN Convention on the Law of the Sea is one example.

**CRUDE OIL**

Also called petroleum, describes the raw commodity that is found in geologic formations beneath the earth’s surface. It is a flammable liquid consisting of a complex mixture of hydrocarbons extracted by drilling. The nature of Crude Oil varies from one location to another. Heavier crudes yield more heat on burning than lighter crudes also called sweet crudes. The refining process yields many other products including petrol, kerosene and petrochemicals.

**CSC PLATE**

Convention for Safe Containers. Any container used for the international transport of goods must have a valid safety approval plate that certifies the capacity of the container and other details. The CSC is an international convention that Australia has accepted and is covered by the Navigation Act 1912.

**CST**

Centistokes. See above

**CUSTOMS BROKER**

A person licensed by Australian Customs to complete formalities for the clearance of import goods, to calculate and to pay import duty on behalf of the cargo owner.

**CY**

Container Yard. One of many similar terms used to describe a location where FCL containers might be temporarily stored pending shipment/collection and empty containers are stored and repaired.

**CUSTOMARY DESPATCH**

The Charterer must load/discharge as fast as possible in the circumstances prevailing at the time of loading or discharging.

**CUSTOM OF THE TRADE**

Similar in procedure to Custom of the Port or, Customary Despatch. But instead it refers to the general trade’s customs of a place instead of the port’s customary procedure. Where the term is inserted in a contract, all the laws and customary procedure of trade of that country supersede any clauses in the contract that may run counter.

**DEAD FREIGHT**

A damage claim by the carrier for a breach of contract (Affreightment) when the charterer or shipper fails to furnish a full cargo of the full booking and for which space has been set aside in the ship.

**DEADWEIGHT TONNAGE**

The weight of cargo, stores, water, fuel crew and passengers required to submerge the ship to its maximum permissible safe draught. Abbreviated as DWT and DWAT

**DECAL**

A transfer made of plastic, paper or ceramic substance that has printed on it a pattern or space on which words/numbers might be able to be written. The Decal is adhesive and can be applied to most surfaces. In shipping decals are often attached to the external wall of a container to indicate hazardous contents in the container. For reefer containers it is used in conjunction with the PTI indicating when the inspection was performed, the expiry date and the person/company that carried it out.

**DECONSOLIDATION**

The removal of consignments from a container. A term usually used in relation to the unpacking of a container by a freight forwarder who then makes the goods available to the many consignees. Also referred to as devanning.

**DECK CARGO**

Cargo carried on a ship’s deck. Various regulations exist in relation to this cargo including CoGSA which refers to the conditions under which cargo is carried in this way, containers included.

**DEFROST SYSTEM**

During the operation of a reefer a layer of ice might form on the evaporator coils. This may occur as a result of fresh air entering the container through vents and will depend on the temperature set, the temperature of the cargo, the amount of fresh air ventilation and the cargo humidity. The unit periodically enters a phase where heat is produced by a series of electrical bars, allowing defrosting to take place. At such times, all fans are turned off automatically in order to prevent heat from entering the cargo compartment.

However, the return air temperature sensor is so closely located to the refrigeration machinery that the temperature record will inevitably register some of this rise. The record will therefore display periodic temperature increases in keeping with the defrost periods. These increases, which are conspicuous on paper chart recorders, have no immediate effect on the actual temperature of the cargo and are not an indication of an unstable refrigeration unit.

**DEHUMIDIFICATION**

A process of blowing warm, dry air into a full container of cargo to reduce moisture content of the air and contents in the container and therefore minimise the possibility of condensation damage.

**DELIVERY ORDER**

A document or electronic advice authorising delivery of goods to a nominated authorised person/company issued by the carrier on surrender of an original Bill of Lading.

**DEMISE HIRE**

A method by which the shipowner might hire out his ship for a specified period, usually a long period, to a charterer who becomes responsible for all operating costs including obtaining the crew.

**DEMURRAGE**

A penalty against the charterer by the shipowner/operator for delaying the discharge/loading of the ship beyond the laytime allowed for the operation.

**DEPARTMENT OF AGRICULTURE,**

Management of quarantine controls at borders to minimise the risk of exotic pests and diseases entering the country. The Department also issues certification to approve or otherwise certain export commodities and ensures that ships scheduled to load grain conform to regulations for hold cleanliness. Formerly known as the Australian Quarantine Inspection Service (AQIS) also provides import and export certification.

**DEPARTMENT OF INFRASTRUCTURE AND REGIONAL DEVELOPMENT**

The Australian Federal Government department responsible for maritime affairs and the formation of relevant legislation.

**DESIGNATED PORT**

For Quarantine purposes, a first port of entry, landing place or a port where imported goods, plants or livestock may be landed as declared by the DAFF-Biosecurity.

**DESPATCH**

A payment made by the shipowner/operator to the charterer for completing the discharge/loading of the ship in less than the laytime allowed.

**DET NORSKE VERITAS (DNV)**

An independent foundation with the purpose of safeguarding life, property and the environment. Managing risk in the area of maritime ship classification has been a core business of DNV since it was established in Norway in 1867.

**DEVIATION**

A departure from the prescribed route which the ship should follow in the performance of the contract of carriage.

**DEW POINT**

The temperature at which air becomes saturated with water vapour. Any drop of temperature will cause water droplets to form, e.g. cold container roofs and walls at night, commodities in the container.

**DFaT**

Australian Department of Foreign Affairs and Trade. The Federal Government department representing Australia and Australia’s interests internationally and maintaining relationships with foreign countries including negotiating trade agreements.

**DIAC**

Department of Immigration and Citizenship – Australia. The government department responsible for the lawful and orderly entry and stay of people in Australia including through effective border security.

**DISPONENT OWNER**

The name often used to describe the demise charterer of a ship.

**DOOR – TO - DOOR**

Through transport of containers direct from consignor to consignee often undertaken by a shipping company for which a special freight rate is applied. Different modes of transport are usually employed for which a Combined Transport Bill of Lading would most likely be used.

**DOUBLE HULL TANKER**

A ship designed for the carriage of oil in bulk where the cargo spaces are protected from the environment by a double hull consisting of a double side and double bottom spaces dedicated to the carriage of ballast water. These ballast spaces extend for the full length of the cargo carrying area. Mandated under the Marpol Convention for new build tankers over 5000 dwt.

**DRAUGHT or DRAFT**

Depth of a submerged part of the ship from the bottom of the keel to the water line. Light draught is when the ship is completely empty of cargo and loaded draught when cargo has been loaded into the ship.

**DROP-OFF CHARGE**

A charge raised by a container owner, not a shipping company, on termination of hire on a leased container. This charge is levied to discourage redelivery of units in low container demand areas where the leasing company may be forced to move units out to a more profitable area.

**DRY BULK CARRIER**

Single deck vessels designed with top-side tanks and hopper-side tanks in cargo spaces. Holds are generally self trimming and intended primarily to carry single commodity solid bulk cargoes.

**DUNNAGE**

Material used for supporting, securing or protecting cargo during transportation by sea. The dunnage is usually timber.

**DWAT**

Deadweight All Told. See Deadweight above.

**DWT**

Deadweight. See above

**ECDIS**

Electronic Chart Display. A system that uses the electronic display of navigation charts as compared to hard copy charts traditionally used in ship navigation. International standards on the training necessary for the safe use of ECDIS are currently being considered by the IMO. Also referred to as eNavigation.

**EDI**

Electronic Data Interchange. The transfer of structured data from one computer to another.

**EDN**

Export Declaration Number. Alpha numeric characters issued by Customs when details of cargo intended for export from Australia have been reported by the exporter or freight forwarder and accepted by Customs.

**EHC**

Equipment Handover Charge. Sometimes also termed LoLo. Charge levied by the carrier on the exporter or importer. An administrative charge to partly cover the cost of delivering/receiving an empty container to the exporter/importer at a container depot.

**eQPAR**

Quarantine Pre Arrival Report. Information sent electronically to the Department of Agriculture usually 96 hours before the arrival of the ship at the first Australian port of call in order to obtain health clearance - pratique.

**ETA**

Estimated Time of Arrival.

**ETD**

Estimated Time of Departure.

**ETHYLENE**

A naturally occurring gas. All fruits release small amounts of Ethylene (C2H4), some release larger amounts during ripening than others, e.g. Apples, Peaches, Pears etc. Excess amounts can accelerate the ripening process. Lowering the temperature reduces the respiration and therefore the heat. Slowing the ripening process by refrigeration will reduce expression of Ethylene and prolong the shelf life.

**EU**

European Union. A free trade agreement between European nations that also includes mutual agreements on non-trade issues.

**EVAPORATOR COIL**

The evaporator coil is the part of the reefer machinery which affects the heat transfer from the circulating air in the container to the refrigerant circulated within the refrigeration system. (Ref. SAL Fact Sheet 5/98)

**EXPANSION VALVE**

Part of the reefer container machinery. The valve allows the liquid refrigerant to move from the warm high pressure environment of the condenser output to the cold, low pressure environment of the evaporator input. Another function is to regulate the amount of refrigerant that flows through the evaporator.

**EXPRESS BILL OF LADING**

The term also refers to Express release of cargo. When the original Bill of Lading is presented to the carrier at the port of shipment with a request to instruct the carrier’s agent at the destination to release the cargo without the presentation of the original Bill of Lading. The carrier would usually undertake a checking procedure before the cargo is released.

**EX WORKS**

Incoterm specifying that the seller fulfils his obligation to deliver when he has made the goods available at his premises, to the buyer. In particular, the seller is not responsible for loading the goods on the vehicle or clearing the goods for export, unless otherwise agreed.

**FAK**

Freight All Kinds. A system whereby ocean freight is charged per container (FCL) irrespective of the nature of the goods rather than charged at the commodity or class rate.

**FAS**

Free Alongside Ship. Incoterm which means that the seller fulfils his obligation when the goods have been placed alongside the ship on the wharf or in lighters at the named port of shipment.

**FEEDER SHIP**

A vessel employed in short sea trades to carry cargo between main ports and smaller ports where deep-sea ships do not call. Feeder ships usually operate from larger hub ports such as Singapore.

**FCL**

Full Container Load. The shipper packs the container and utilises the space exclusively for his own cargo and presents the container to the carrier. It is not necessary for all the space to be utilised; that is the shipper’s option.

**FCX**

An Australian Customs term referring to full container loads with multiple bill of lading destined for the one unpack address. For DAFF-Biosecurity purposes this is the same as FCL.

**FFAs**

Forward Freight Agreement. Freight derivatives providing a means of hedging exposure to freight market risk through the trading of specified time charter and voyage rates for forward positions. Settlement is effected against a relevant route assessment, usually one published by the Baltic Exchange.

**FIATA**

(English) International Federation of Freight Forwarders Associations. A Switzerland based organization that represents the interests of freight forwarders worldwide.

**FIO**

Free In and Out. Cargo to be loaded and discharged free of expense to the shipowner/operator.

**FIXED**

The term used to signify that negotiations to charter a ship have been completed and the ship is now “fixed” for the agreed business. The negotiating process is called “fixing”.

**FLAG**

Used in relation to the nationality of a ship that is flown from the stern of a commercial ship. Nationality is further indicated by the Port of Registry. The UN Convention on the Law of the Sea confers the right of a country to fix conditions for the registration of ships in its territory.

**FLAG OF CONVENIENCE (FoC)**

See Open Register.

**FLASH POINT**

The lowest temperature under very specific conditions at which a combustible liquid produces enough vapour to form an inflammable mixture with air.

**FLOTSAM**

Goods lost by shipwreck or cast overboard which remains afloat.

**FOB**

Free On Board. Incoterm that means the seller delivers the cargo when the goods pass the ship’s rail at the named port of loading. This means that the buyer has to bear all costs and risks of loss or damage to the goods from that point. The FOB term requires the seller to clear the goods for export.

**FONASBA**

Federation of National Associations of Ship Brokers and Agents. A London based organisation that provides a united voice worldwide for shipbrokers and agents.

**FORWARDING INSTRUCTION**

A form completed by the shipper or his agent containing instructions for the forwarding of the goods. This is the source of cargo details for the carrier to complete the Bill of Lading and other documentation.

**FOUL BILL OF LADING**

See Claused Bill of Lading.

**FREE STORAGE**

A period, usually about three days, that a FCL is allowed to remain at a container terminal before storage costs/demurrage start to be applied.

**FREIGHT DERIVATIVE**

A financial instrument’s value that is derived on the future levels of freight rates, such as dry bulk freight rates and tanker rates. Freight derivatives are used most often by end users such as ship owners and charterers to mitigate risk and hedge against price spikes in the supply chain.

**FREIGHT FORWARDER**

A company that manages the logistics of shipments on behalf of the exporter/importer. Services might include transportation, storage, documentation, payment of charges and delivery.

**FREIGHT RATE**

The charge levied by the shipowner/operator on either the weight of the cargo, its volume measurement or as a per container rate for the ocean movement of the cargo. It is the main source of revenue for the carrier.

**FREIGHT TONNE**

See Revenue Tonne.

**FRONT HAUL**

A term used to indicate the typical flow of the transportation of cargo from the main loading areas to the main discharging areas.

**FROZEN CARGO**

*Different products have different carrying temperature levels and these should be consulted. This is an explanation only.*

For frozen cargo usually ‘dead cargo’ such as meat, the carriage temperature is usually about minus 20O C. Frozen have a different packing profile; it is only necessary for the air to circulate around a the periphery of the load – a block stow, one that has no deliberate spacing between any of the packages or pallets. For frozen cargo the temperature is controlled by the return air temperature sensor.

**GANTRY CRANE**

An overhead crane used widely in container terminals that can straddle a rail line or road. Containers can be lifted with a hoist that can traverse horizontally on a beam that joins the legs of the crane at the top to lower the container alongside the rail line or road to be picked up by another machine – forklift or straddle carrier.

**GATT**

General Agreement on Tariffs and Trade. An agreement signed by most trading nations in 1947 that was designed to provide an international forum that encouraged free trade between member states. It was planned to achieve this by regulating and reducing tariffs on traded goods and providing a common mechanism for resolving trade disputes. The World Trade Organisation was formed as the successor to GATT.

**GDP**

Gross Domestic Product represents the total value (AUD) of all goods and services produced in a country over a specific period. Usually expressed as a comparison with the previous period to enable a comparison to be made and trends indicated. .

**GDP PER CAPITA**

GDP value divided by population which is a further measure of the productivity of a country and an indicator of involvement in international trade.

**GENCON**

Uniform General Charter Party (1994) produced by BIMCO.

**GENERAL AVERAGE**

Any extraordinary sacrifice or expenditure voluntarily and reasonably made to save the ship and the cargo at a time of peril in a maritime venture.

**GENERAL CARGO**

Term applied to dry cargo, not liquids, that is not carried in a container and which might include timber, steel, bales/bags/drums and machinery. Ships suitable for carrying this type of cargo are often referred to as General Cargo ships.

**GERMANISCHER-LLOYD (GL)**

The German classification society active in the classification of a large range of merchant ships. As with other class societies, GL develops rules, procedures and guidance for shipowners, ship yards and the maritime supply industry.

**GFC**

Global Financial Crisis also called the Global Recession. The financial crisis brought about by a complex interplay of valuation and liquidity problems in the United States and Europe from 2006 that was termed as the worst financial crisis since the Great Depression of the 1930s.

**GLOBALISATION**

A term that generally used in economic terms, that describes global distribution of goods and services to be achieved through reduction in barriers to international trade such as tariffs, export fees, quotas and subsidies.

**GP**

General Purpose. Refers to a standard 20ft or 40ft dry container.

**GROSS TONNAGE (GT)**

The internal cubic measurement of all enclosed spaces within a ship’s hull and superstructure. Calculated to a formula of 1GT to a little less than 3 cbm. Mostly used as the basis for port charges.

**HAGUE VISBY RULES**

Internationally accepted convention for determining the limit of liability under a Liner Bill of Lading. Sometimes referred to as the “Package Limitation” Clause.

**HALF HEIGHT CONTAINER**

An open top container with or without a soft cover/tarpaulin, either 4ft or 4ft 9in high (1.12m – 1.45m).

**HARBOUR MASTER**

Usually employed by a port authority to direct and coordinate all maritime activities within a port. This will include enforcement of relevant regulations governing ship movements within the harbour limits and issuing instructions in accordance with policies of the Port Authority. Customarily the Harbour Master will be a Master Mariner. Other responsibilities will depend on the type of port.

**HATCH**

The opening or access in a rectangular or square form on the deck of a ship through which cargo passes either to be stowed below deck or, being discharged. It is usual to have one hatch opening per hold in the ship.

**HAZARDOUS CARGO**

See Dangerous Goods.

**HEAT EXCHANGER**

That section of the reefer machinery in which high pressure, high temperature sub-cooled liquid transfers heat to the low pressure, low temperature super-heated vapour returning to the compressor. This results in increased efficiency and safety.

**HI-CUBE**

Refers to a container than instead of being the conventional 8’6” high is 9’6” high. This is usually a 40ft container and increases the cubic capacity.

**HOUSE BILL OF LADING**

A Bill of Lading issued by a cargo consolidator or freight forwarder to the shipper. It is not accepted by the Carrier as sufficient evidence of the ownership of the cargo covered by the Bill.

**HOUSE TO HOUSE**

See Door to Door.

**ICC**

International Chamber of Commerce based in Geneva.

**ICD**

Inland Container Depot. A terminal away from the port where containers, and other cargo, can be moved to undergo Customs clearance. Often used to relieve congestion at the ocean terminal.

**ICHCA**

International Cargo Handling Co-ordination Association.

**IMDG CODE**

International Maritime Dangerous Goods Code. The IMO recommendations for the carriage of dangerous goods by sea.

**IMF**

International Monetary Fund. International institution engaged in advising countries of strategies to correct trade imbalances and in supporting currencies of countries experiencing financial difficulties.

**IMO**

International Maritime Organisation. The United Nations agency dealing with maritime affairs on behalf of member countries. The IMO provides a forum where countries discuss and formulate international policy on shipping matters. Based in London.

**INCOTERMS 2010**

International commercial terms and abbreviations developed by the International Chamber of Commerce identifying parties responsibilities under different shipment terms which cover all modes of transport.

**INHERENT VICE**

A term used in relation to cargo signifying a fault in the goods themselves, or in their packing causing deterioration, loss or damage without any person being at fault.

**INMARSAT**

International Maritime Satellite communications. Provides global voice and data transmission service for commercial shipping.

**INSOLVENCY**

Unable to satisfy creditors or discharge liabilities.

**INSTITUTE CLAUSES**

Clauses in a marine insurance policy which have been standardised for the trade by the American Institute of Marine Underwriters. The London Institute Clauses, used by the British market and internationally, are those adopted by the Institute of London Underwriters.

**INSTITUTE OF CHARTERED SHIPBROKERS**

The professional body to commercial shipping worldwide representing all sectors of shipping. London based.

**INSULATED CONTAINER**

A container possessing protective insulation to minimise the effect on cargo of external temperatures.

**INTERMEDIARY**

Serving as an intermediate agent or agency.

**INTERMODAL**

A term to describe the interface where different modes of transport might be used to transport cargo.

**IOFC**

International Offshore Financial Centre. A country that offers incentives for businesses to locate their operations there. Widely used by companies to register their ships in those countries due to the material advantages offered by the country. Examples are Panama, Liberia, Bahamas, Honduras, Vanuatu, Marshall Islands and are known as Open Register countries.

**ISM CODE**

The International Management Code for the Safe Operation of Ships. Effectively a quality management process that shipowners have to abide by. In Australia compliance is checked by AMSA as part of Port State Control procedures.

**ISO**

International Standards Organisation maintains standards for business, government and society. Standards, e.g. dimensions, for containers internationally were developed and are managed by ISO.

**ISPS**

International Ship and Port Facility Security Code. Security measures applicable to ships and ports which became effective in UN Member countries in 2004. Australia has given effect to this Convention through the Maritime Transport and Offshore Facilities Security Act 2003.

**INTERCARGO**

International Association of Dry Cargo Shipowners.

**INTERMODAL**

Involving the transportation by more than one form of transport during a single journey. In the movement of cargo by sea an intermodal transfer takes place at a port from the ship to land transport and the reverse.

**INTERTANKO**

International Association of Independent Tanker Owners.

**JETSAM**

Goods which are cast into the sea where they sink and remain below the water surface.

**JETTISON**

The deliberate throwing overboard or destruction of cargo or ship’s tackle to lighten the ship in a storm or to assist in saving the ship when in danger. The loss occasioned by a properly justified jettison is the subject of general average contribution.

**JOULE**

The recommended unit for measuring energy and heat.

**LANDBRIDGE**

Descriptive term for an overland transit coming between two ocean passages during a container’s journey from origin port to destination.

**LANE METRE**

The unit of measurement of capacity of RoRo vessels and PCC/PCTC which is calculated by multiplying the deck length in metres by the cargo deck width in lanes.

**LASH**

Lighter Aboard Ship. Also barg carrier or barge-carrying vessel. A ship capable of lifting barges by crane oveer the stern of the ship. Different configurations and capacities with some able to carry over 24 barges and carrying barges which might contain 600 to 1000 tonnes of cargo either in bulk or in containers. The barges float and can be towed to upriver berths for load/discharge. Formerly widely used in trade from US Gulf to Europe and Europe to West Africa. A variation on LASH but similar cargo handling method – SeaBees.

**LASH**

To secure cargo either in a hold or on deck to prevent movement.

**LATENT DEFECT**

A defect in cargo not immediately apparent.

**LAYCAN**

A clause in charter parties that enables either party to cancel a fixture if certain conditions are not met. This might include the ship arriving after the agreed commencement of the presentation date.

**LAYTIME**

Period calculated for a ship under voyage charter to load/discharge cargo under a Charter Party.

**LCL**

Less than Container Load. A small consignment that on its own will not fill the container to its capacity. For example personal effects.

**LENGTH BP**

Length Between Perpendiculars. The distance on the summer load water line from the fore side of the stem to the aft side of the rudder post or to the centre of the rudder stock if there is no post.

**LETTER OF CREDIT**

A document issued by a bank – the issuing bank, authorising payment to the person/company named, subject to fulfilment of certain specified conditions on the part of the person authorised to receive the money, e.g production of a clean Shipped on Board original Bill of Lading.

**LETTER OF INDEMNITY**

Some times used by consignees to request delivery of goods without the production of the original Bill of Lading, which may have been delayed in transit. Usually required to be endorsed by a bank acceptable to the carrier.

**LIGHTER**

An open or closed vessel from where cargo may be loaded/discharged. Often used when the depth of water in the port is shallow and the ship is unable to berth alongside the wharf.

**LIEN**

A clause on a Bill of Lading that provides the carrier with a lien for any amount due and entitles the carrier to sell or auction the cargo to recover outstanding amounts.

**LIGHTWEIGHT TONNAGE**

The weight of the empty ship’s hull including the superstructure and machinery. Used when the ship is being sold for scrap.

**LINER TERMS**

Loading and discharge of the ship is carried out by the shipowner/operator for which the ocean freight paid by the cargo owner, covers the cost.

**LINER VESSEL**

A ship employed on a regular schedule calling at specified advertised ports.

**LIQUIFICATION TRAIN**

Gas is liquified prior to export by a “liquification train” which removes the CO2 and by-products and acts like a giant refrigerator, freezing the gas cryogenically (to minus 162 degrees Centigrade) so that it is reduced to on six-hundredth of its gaseous volume. When the frozen LNG arrives at the customer’s port, it is discharged into tanks and gradually vapourised back into its gaseous form.

**LLOYD’S OPEN FORM**

A printed form used in the contract of any salvage operation whereby the salvor is only remunerated on a “no cure no pay basis” and the award if successful is agreed upon beforehand by the master and/or owners with the salvors. In case of no agreement reached the parties will go to arbitration.

**LLOYD’S REGISTER (LR)**

A diversified group involved in oil and gas, process industries, nuclear and rail. Primarily in relation to shipping Lloyd’s is Classification Society providing standards of and rules for the construction and maintenance of ships.

**LLOYD’S REGISTER OF SHIPS**

A catalogue of ships describing each ship – dimensions, age, ownership, place of construction and other important information used by industry and regulatory authorities. Data is mostly accessed electronically from a database.

**LNG**

Liquified Natural Gas. A naturally occurring gas that has been cooled to -162deg.C. At this temperature the gas turns into a clear, colourless, non-toxic liquid that is 600 times smaller in volume than in its gaseous state making it easier to transport.

**LOA**

Length Overall. The extreme length of the ship.

**LOADLINE**

Also Plimsoll Line. An internationally recognised mark painted midships on both sides of commercial ships to indicate, together with associated markings, the maximum safe loaded draught of a ship under different conditions of weather, season, water salinity and location.

**LOADLINE CERTIFICATE**

A certificate issued by a government authority or an authorised classification society confirming the assignment of loadlines in accordance with Measurement regulations.

**LO/LO**

A charge levied by the shipowner/operator to cover the cost of handling and delivering the empty container. Also known as Equipment Handover Charge.

**LOG BOOK**

An official book kept by the Master of the ship where all accidents and general navigation management are carefully recorded.

**LOGISTICS**

The process of planning, implementing and controlling the effective flow and storage of goods, services and related information from the point of origin to the point of consumption for the purpose of satisfying the customers requirements.

**LONG TON**

A shipping weight of 2240 lbs.

**LONDON TANKER BROKERS PANEL (LTBP)**

A group of independent tanker brokers based in London who determine the average charter rates for tankers. Those rates are known as Average Freight Rate Assessment rates.

**LPG**

Liquified Petroleum Gas such as Propane and Butane carried on special ships below -100°C.

**LUMP SUM FREIGHT**

A fixed freight amount agreed to be paid irrespective of the amount of cargo loaded.

**MANIFEST**

An inventory detailing the particulars of all cargo and passengers on board a ship.

**MARINE INSURANCE**

Insurance taken out to insure cargo against risks associated with the carriage of goods by sea, e.g. loss or damage in transit.

**MARINE ORDERS**

Notices issued by the Australian Maritime Safety Authority under the authority of the Navigation Act 2012. These Notices advise the shipping industry and other interested parties, of matters such as the application of new regulations or pending implementation of new regulations.

**MARITIME LABOUR CONVENTION (MLC)**

A convention developed by the International Maritime Organisation (IMO). The convention establishes rights and protections at work for the world’s seafarers and aims to achieve decent work arrangements for seafarers and secure economic interests in fair competition for quality shipowners. Australia is a signatory to this Convention.

**MARPOL**

The International Convention on the Prevention of Pollution from Ships. Australia is a signatory to this Convention.

**MASTER**

The Captain of a merchant vessel.

**MATE’S RECEIPT**

A receipt signed by the Chief Officer of a commercial ship acknowledging that the cargo listed on the Receipt has been loaded on the ship. It may be claused by the Chief Officer if necessary drawing attention to the condition of the cargo. It is not normally used for container terminal loadings.

**METABOLIC PROCESS**

A naturally occurring organic process that is necessary for the life of the object which in fruit and vegetables leads to ripening.

**METHYL BROMIDE**

A fumigant used to kill infestation in various commodities and to fumigate containers. An odourless and dangerous poison which is gradually being replaced by less toxic but equally effective chemicals.

**METRIC TON**

A tonne of 1000kgs equivalent to 2,204.6223lbs.

**MAXIMUM GROSS WEIGHT (MGW)**

The maximum permitted weight of the container and its contents.

**MSIC**

Maritime Security Identification Card. A nationally consistent identification card issued to identify a person who has been the subject of a background check and has satisfied the minimum security requirements and needs to work unescorted in a maritime security zone. Issued to comply with the Australian Maritime Transport and Offshore Facilities Security Act 2003.

**MUA**

The Maritime Union of Australia. A registered trade union whose membership is made up of Australia seafarers and waterside workers.

**NAPHTHA**

A straight-run gasoline fraction boiling below kerosene. Used as a feedstock for refinery conversion and as a chemical feedstock.

**NATURAL GAS**

A mixture of methane and ethane found in the earth’s crust, often in association with oil.

**NAVIGATION ACT 2012**

Australian Federal legislation that comprehensively covers maritime affairs and includes sections that give effect to IMO Conventions.

**NAVIGATIONAL AIDS**

These could take the form of lights, beacons, racons, signs, bouys, that are placed in a position to aid the safe navigation of the ship.

**NET TONNAGE (NT)**

The gross tonnage (GT) of the ship minus the cubic measurement converted to tonnage of non-revenue earning spaces such as the engine room.

**NOTICE OF READINESS (NOR)**

 Written notice usually from the Master of a ship to the charterer that the ship has arrived at the required port and is ready in all respects to load/discharge cargo as per Charter Party conditions.

**NVOCC**

Non Vessel Operating/Owning Common Carrier. A carrier, possibly a freight forwarder, issuing a Bill of Lading for the carriage of goods on a ship which he neither owns nor operates. Not a term widely used in Australia.

**OCEAN FREIGHT RATE**

The freight charge for the ocean transport of cargo.

**OCTANE NUMBER**

A measure of the detonation quality of gasoline. The higher the octane number, the higher the resistance to engine knock.

**OFFICE OF TRANSPORT SECURITY (OTS)**

Within the Australian Government Department of Infrastructure and Regional Development, OTS is the Government’s preventative security regulator for the maritime and aviation sectors and primary adviser on transport security. OTS is responsible for administering an intelligence led, risk based preventative security regime for these sectors.

**OIL TANKER**

A ship purposely built to carry petroleum products such as crude oil, in tanks.

**ON-DECK STOWAGE**

System whereby containers are secured for carriage on a ship’s deck. This usually means that the ship is fitted with location shoes and containers secured by lashings and twist-locks. On-deck carriage of non-containerised cargo is quite common and this cargo also requires securing.

**OPEN REGISTER**

The term applied to those countries that maintain ship registration facilities that are open to all shipowners irrespective of the country of domicile of the actual shipowner. These countries operate in an open market environment and compete with each other to attract ship registration business.

 Financial incentives make it very attractive for shipowners to register their ships in those countries. Also referred to as “Flag of Convenience” countries and IOFC, referred to above.

**OPEN TOP CONTAINER**

An ISO container without a roof but covered with a soft top tarpaulin, that can be used for the loading of awkward and out-of-gauge, e.g. over-height, cargo.

**ORGANISATION OF PETROLEUM EXPORTING COUNTRIES (OPEC)**

Membership comprises the 12 largest petroleum producing and exporting countries and its mission is to coordinate policies to ensure stabilisation of oil markets.

**OUT-OF-GAUGE CARGO**

Goods whose dimensions exceed those of the container in/on which they will be carried. This can refer to width, height and/or length.

**OUTTURN**

The quantity of cargo discharged from a ship at the relevant port of discharge. If a discrepancy is found this may be the subject of a claim for loss.

**PALLET**

A standard sized platform usually of wooden construction, on which unitised loads can be placed and secured. Usually lifted by forklift or in some cases pallet legs that are placed through the openings in the base of the pallet.

**PARTICIPATION RATE**

Applied to the labour force of a country and measures the percentage of the working age population who are in the labour force.

**PARTICULAR AVERAGE**

A loss which falls on the particular property insured, as opposed to a “general average” which is a loss for the account of all interests.

**PAYLOAD**

The difference between MGW and the tare of the container.

**PCC**

Pure Car Carrier

**PCTC**

Pure Car and Truck Carrier

**PETROLEUM**

A collective name given to crude oil which is a natural occurring flammable liquid comprising a complex mixture of hydrocarbons and other liquid organic compounds. Refined and processed at a refinery to produce a large number of consumer products.

**P&I CLUB**

Protection and Indemnity clubs providing insurance cover for third party risks to shipowners and operators.

**PILFERAGE**

Thefts of cargo from a ship either while at sea or in port.

**PILLAGE**

Robbery of goods by use of force as in wartime. The term is also applied to the theft of cargo from a ship.

**PILOT**

A qualified and experienced Master Mariner employed by a port authority, government body or private organisation to board incoming and departing ships at a particular port and advise the Master on safely navigating the ship.

**PORT AUTHORITY**

A government authority or private organisation that operates and manages a commercial port with specific responsibilities for safety, environmental protection, development and trade facilitation.

**PORTAINER CRANE**

A gantry crane used at container terminals for the loading/discharge of containers on/from a ship. Usually owned and operated by the stevedore.

**PORT CHARGES**

Charges levied on ships by a port authority for the use of port services and facilities and by port service providers such tug operators.

**PORT SIDE**

The left-hand side of a ship looking forward from the stern.

**PORT STATE CONTROL**

A strategy practiced internationally by government authorities, in Australia the Australian Maritime Safety Authority (AMSA), to ensure the safe operation of ships calling at ports within the jurisdiction of the authority and compliance with international conventions on safety. Implemented through ship inspections by AMSA surveyors.

**PORT SERVICE CHARGE**

PSC. A charge payable on cargo loaded/discharged by the cargo owner to the shipowner/operator incorporating the port authority Wharfage.

**PORTS AUSTRALIA**

Australian industry peak body representing the interests of port authorities.

**PRA**

Pre Receival Advice. Cargo information sent electronically to the loading terminal before the delivery of the container/cargo.

**PRATIQUE**

Permission – health clearance, issued by a government authority, in Australia DAFF-Biosecurity, for a ship to enter port to work cargo.

**PROTEST**

A sworn statement by the Master describing any unusual event that has occurred during a voyage. Usually completed before a Notary Public. If necessary the Statement can be used as evidence in cargo claims or other enquiries.

**PURGE PORT**

In cases of reefers shipped with Modified Atmosphere MA, the port is used to flush the container with a mixture of nitrogen and oxygen as required by the produce to ensure it is in best condition on discharge.

**QPAR**

Quarantine Pre Arrival Report. Information sent electronically - known as eQPAR, to the Department of Agriculture usually 96 hours before arrival of the ship at the first Australian port of call in order to obtain health clearance - pratique.

**REACH STACKER**

A machine mostly used in container terminals capable of lifting and moving containers. The machine has an extendable jib which allows it to reach over other vehicles and high stack containers.

**RECEIVED FOR SHIPMENT**

A Bill of Lading marked to indicate that the goods described on the face of the Bill have been received into the custody of the carrier but have not been loaded on the ship.

**RECLAIMER**

A very large machine mostly found where dry bulk cargoes are stockpiled. The reclaimer usually has a large wheel at the end of an arm fitted with buckets that enables it to pick up the commodity and feed it to a conveyor system that then moves the cargo to the shiploader. The reclaimer can be moved short distances.

**REDELIVERY**

On completion of a Time or Demise charter when the ship is redelivered from the charterer to the Owner. This is usually accompanied by a Certificate certifying the time, date and place of redelivery of the ship stating the quantity of bunkers on board at the time of redelivery.

**REEFER**

A container that is capable of refrigerating the contents and maintaining a set temperature for as long as required. Most reefer containers are built with an integrated compressor requiring only a power supply to operate. Reefer also refers to a multi-deck ship that is capable of carrying cargo in break bulk form, e.g. bananas, at low temperatures.

**REEFER TOWER**

Usually located at a container terminal, a static piece of equipment that can provide the power connection for four or more containers.

**REGISTERED AGREEMENT**

In Australia an agreement reached between shipping lines to operate a joint service that under the Australian Consumer and Competition Act 2010 requires registration by the Registrar of Shipping in the Department of Infrastructure and Transport.

**RELATIVE HUMIDITY**

The ratio (expressed as a percentage) of the amount of moisture in the air to that in saturated air at the same temperature.

**RENEWABLE ENERGY**

Energy resources which are continually replenished, i.e. solar energy, wind power, wave power, biomass, hydroelectric, geothermal energy.

**RESPIRATION**

The process whereby fruit and vegetables that are living products after harvest continue to breath and take in oxygen. Carbon Dioxide and Ethylene and moisture are then released which is retarded by refrigeration.

**RESPONDENTIA**

In maritime law a loan of money using goods loaded on a ship as security which in the course of the voyage would be sold or exchanged. These proceeds would then form the repayment from the borrower, plus interest.

**REVENUE TONNE**

That unit weight (kgs) or measurement (cbm) on which the ocean freight is levied to return the highest amount of freight to the carrier.

**RO/RO**

Roll On/Roll Off ship. A ship with either a stern or quarter ramp on which cargo can be driven/towed/carried into/out of the ship.

**ROPAX**

Roll on/Roll off passenger ship. A RO/RO vessel built for freight vehicle transport along with passenger accommodation. Technically this covers all ferries with both a roll on/roll off car deck and passenger-carrying capacities, but in practice ships with facilities for more than 500 passengers are often referred to as cruise/ferries.

**ROTTERDAM RULES**

A treaty comprising international rules that revises the legal and political framework for the maritime carriage of goods. The convention establishes a modern, comprehensive, uniform legal regime governing the rights and obligations of shippers, carriers and consignees under a contract for door-to-door shipments. Not in operation pending full international ratification. The Rules will replace the Hague Rule, Hague-Visby Rules and the Hamburg Rules.

**RUNNING TIME/DAYS**

Laytime runs continuously – consecutive days of 24 hours including weekends and holidays.

**SAL**

Shipping Australia Limited. Peak body representing shipowners/operators, agents and other organisations with maritime connections.

**SALES CONTRACT**

The agreement between the seller/exporter of the goods and the buyer/importer. Standard contract forms that contain relevant clauses and conditions are often used as the basis of the agreement.

**SALVAGE**

Compensation due to those who through their exertions have saved a shipand/ or goods from the perils of the seas, fire, pirates or enemies. The expression may also refer to that which is saved, or that which is abandoned by the assured to the underwriter, the former claiming total loss.

**SELF TRIMMING**

A bulk carrier described as a Self Trimming Bulk Carrier for cargoes other than grain, means that the vessel is able to self-trim specified free-flowing cargo when loaded by virtue of the physical characteristics of the design of its holds without the need for additional trimming.

**SHIP’S GEAR**

A term that generally describes any cargo handling equipment that the ship is fitted with.

**SHIPPING REFORM**

The expression used by the Australian Government to refer to changes in legislation that will change the conditions under which Australian flagged ships are permitted to operate.

**SHIPLOADER**

The equipment situated on a wharf that is the final point in the movement of a dry bulk commodity usually from a conveyor system that effectively loads the cargo into the hold of the ship.

**SHIPMAN 2009**

The Standard Ship Management Agreement form produced by BIMCO.

**SHIPPED ON BOARD**

A Bill of Lading endorsed by the carrier acknowledging that the goods described on the Bill have been loaded on the named ship and that the ship has departed from the loading port. It is the most satisfactory evidence of shipment and is the preferred evidence required by shippers/consignees and banks negotiating Letters of Credit etc.

**SHORT SEA**

Term used to describe ship operations between ports in close proximity with voyages of short duration.

**SHORT SHIPMENT**

An incomplete delivery of the goods which are the subject of the contract between the buyer and seller. Also used to describe a situation where the carrier fails to load all cargo booked by the shipper and delivered to the terminal for a particular ship. This may be due to several factors including weather, strikes or other operational reasons.

**SIDEPORT**

An opening in the side of a ship giving direct access from the wharf to the hold. Some wide ports allow ro/ro operation with forklifts or similar equipment which allow the load to be passed from a wharf machine to one in the ship. Often used with break bulk reefer cargoes unitised on pallets.

**SILO**

A vertical cylindrical structure usually associated with the storage of grain that is poured from a conveyor system through the top of the silo and bottom fed onto another system that conveys the grain to the shiploader and into the ship.

**SKELETAL TRAILER**

Semi-trailer without a floor (platform) mostly constructed with different transverse ribs so as to offer various locating possibilities for different sized containers.

**SLOT**

A space in a cellular container ship that can be occupied by a standard ISO container.

**SLOT CHARTER**

A term used to denote a part charter arrangement between a container shipowner/operator and another operator or consortia, company, freight forwarder to provide an agreed number of slots on a regular basis on the carrier’s ships.

**SOC**

Shipper Owned Container

**SPOT MARKET**

A market in which goods/currency etc are traded for immediate delivery and at the current price, i.e. spot price.

**SPREADER**

A device/frame used for lifting containers by engaging the container on corner post castings. Different sized spreaders can be used to carry multiple lifts. Some have telescopic arms to be able to carry different sized containers.

**STARBOARD SIDE**

The right hand side of the ship when looking forward from the stern.

**STUFFING**

A term to denote the packing of a container.

**SOLAS**

The International Convention for the Safety of Life at Sea. Probably the most important international maritime agreement that deals with all aspects of measures to be taken for the preservation of life at sea.

**STCW95**

Standards of Training, Certification and Watchkeeping for Seafarers. The internationally accepted convention setting the standards of training and qualification of seafarers to ensure a high standard of safety in ship operation.

**STERN**

The aftmost part of a ship.

**STEVEDORING**

The operation of loading and discharging cargo onto/from a ship.

**STOWAGE FACTOR**

The volume (cbm) occupied by I tonne of a particular cargo.

**STRADDLE CARRIER**

A vehicle specially constructed to lift and move containers in a container terminal and an intermodal zone. It is capable of straddling a rail/road truck to lift/load the container. Manually operated but in some port they are robotic.

**STRIPPING**

Emptying a container.

**SUPPLY CHAIN**

A sequence of events involved in the production and distribution of a product or service. The chain is a system of organisations, people, technology, activities, information and resources.

**SURVEYOR**

A specialist who conducts surveys of cargo or the hull and machinery of a ship. The surveyor might be employed by a government body such as AMSA to ensure compliance with safety regulations or a classification society to ensure that the ship follows Society Rules or, an insurance company to assess cargo damage.

**SUPRAMAX**

A dry bulk carrier within the handymax sector which is usually fitted with deck cranes.

**TAILGATE INSPECTION**

A physical inspection of a container undertaken by a DAFF-Biosecurity officer to visually verify that some aspects of the cargo, or the contents of a container or the outside of a container are free from quarantine risk material.

**TANK**

An enclosed space in a ship that can be used for the carriage of liquid cargoes or fuel, fresh water or water ballast.

**TANKERVOY 87**

A voyage charter form issued by BIMCO and widely used in tanker chartering.

**TANKTAINER**

A cylindrical shaped container designed to carry bulk liquids. It is usually within a frame that enable the tank to be lifted by a container spreader at the terminal.

**TARE**

The weight of an empty container.

**TARIFF**

A list of ocean freight rates and charges and the terms and conditions of carriage.

**TERMINAL LOAD LIST**

A list of containers actually loaded on a ship from a particular port showing the stowage position for each discharge port. Usually prepared by the terminal operator and can be used in conjunction with the release of export bills of lading.

**TEU**

Twenty-foot Equivalent Unit. E.G. 1 x 20ft container = 1 TEU and 1 x 40ft container = 2 TEU.

**THC**

Terminal Handling Charge. A charge based on part of the cost for handling a container at a terminal often charged on both exports and imports. The charge is payable by the cargo owner to the carrier and is not common to all trades or ports.

**THERMAL POWER STATION**

A **thermal power station** is a **power** plant in which a turbine which drives an electrical generator is steam driven. Fuel source is thermal coal that has low levels of pollutants. Australia is the world’s leading exporter of this type of coal.

**THROUGH BILL OF LADING**

A Bill of Lading issued to cover cargo shipped between ports plus an inland journey to the final destination using different transport modes.

**TIME BAR**

In relation to cargo claims against the carrier, the time limit set for lodging claims. Once expired no claims will be considered. Under the Hague-Visby Rules a one year time limit applies from the time when the cargo was or should have been delivered. The clause on the Bill of Lading specifies the time limit.

**TIME CHARTER**

The charter of a ship for an agreed period of time, e.g. approximately twelve months. Applies to all types of ships.

**TIME SLOT**

An appointment made by a container exporter/importer with a terminal at which time the container can be received or delivered.

**TOMMING-OFF**

Shoring and securing cargo either break bulk or in a container to prevent movement while in transit.

**TON MILES**

A calculation performed by multiplying the distance travelled on a voyage by the tonnage of cargo carried. This could be done for one voyage or a number of voyages. The result is useful in determining changes in the demand for the ship and destinations/origins for cargo.

**TRADE DEFICIT**

When the balance on merchandise trade in national accounts shows that the value of imports exceeds the value of exports.

**TRAMP TRADE**

Ships employed in this trade do not operate to a schedule and go wherever cargo is available. Voyages to particular ports might not be repeated and shipowners do not engage in service promotion as Liner Trade shipowners do. Tramp trade is often referred to as the Bulk Trade.

**TRANSHIPMENT**

The act of transferring goods from one ship – the first carrier at a transhipment port, to another ship – the second carrier, for onward movement to a port not usually served direct by the first carrier.

**TUG**

A small vessel predominantly used in ports to assist ships in manoeuvring. Also used in off-shore oil activity, salvage work and barge towing.

**TWEEN DECK**

The space between any continuous decks. Intermediate deck within a cargo space above the lower hold and below the upper deck.

**TWISTLOCK**

A cone with flattened sides that fits into a container corner casting with a moveable tip which when turned 90 degrees will securely lock and tie down the container.

**UCP600**

The Uniform Customs and Practice for Documentary Credits. A set of rules on the issuance and use of letters of credit. The UCP is used by bankers and commercial parties almost universally in trade finance.

**UNCLEAN BILL OF LADING**

A Bill of Lading that has been claused/endorsed by the carrier to show that the goods covered by the Bill were not received and shipped in good order or condition or some other remark as to the condition of the cargo.

**UNCLOS**

United Nations Convention on the Law of the Sea which came into force in November 1994.

**UNCTAD**

United Nations Conference on Trade and Development. Established in 1964 to promote the development-friendly integration of developing countries into the world economy.

**UNDER BOND**

Cargo that has not been cleared by Customs and remains under Customs control.

**ULCC**

Ultra Large Crude Carrier. Referring to tankers.

**ULLAGE**

Deficiency of liquid; space in a container or drum or tank that is not filled.

**VALEMAX**

A class of very large ore carriers (VOOC) built for Brazilian mining company Vale S.A. to carry Iron Ore from Brazil to Asian and European ports. Capacity ranges from 380,000 to 400,000 deadweight they are the largest bulk carriers ever built. Twelve ships have been ordered by Vale the first entered service in 2011. Similar ships although slightly smaller have also been ordered by Berge Bulk.

**VALUE FOR DUTY**

The value used by Customs to determine duty payable. It is usually the FOB value of the cargo. Still declared even though duty might not be payable. Also used for import statistics.

**VENTURE**

An undertaking such as one voyage of a ship.

**VETTING**

A system whereby charterers make use of a wide range of information from various sources to determine the condition of the ship before completing the charter. The purpose is to ensure that the ship has been properly maintained, that it complies with international regulations and is suitable for the intended business.

**VISA**

A document or endorsement in a passport by an authorised representative of a country verifying that a citizen of another country may lawfully enter that country. In Australia that authority is the Department of Immigration and Citizenship. A current visa is required as soon as the person enters Australian territory.

Because of the likelihood of multiple entry into Australia or, late diversion of a ship to an Australian port, seafarers are able to obtain a Maritime Crew Visa through an on-line facility.

**VLCC**

Very Large Crude Carrier. Referring to Tankers in the 200,000 to 349,999 GT range.

**WAR RISK INSURANCE**

Insurance against loss or damage to property due to acts of enemies of a country. This coverage is freely written and included in marine risks insurance policies.

**WAYBILL**

A receipt for goods shipped and a not negotiable document which authorises delivery only to the named consignee. It is not a document of title as it is not usually required to be presented to claim possession of the cargo.

**WHARFAGE**

A charge levied by port authorities on all cargo loaded/discharged in a port. The charge is payable by the importer/exporter.

**WOOL DUMP**

A designated facility where wool bales are compressed in order to maximise the utilisation of the space in a container.

**WORLD TRADE ORGANISATION (WTO)**

The international organisation based in Geneva that is responsible for international fair trade compliance and dispute settlement on trade issues.

**YORK ANTWERP RULES**

International agreement for the settlement of General Average claims in ocean shipping.