

Be aware of the importance of insurance and documentation in exporting. You must evaluate the various modes of transportation carefully in order to choose the right type. A competent freight forwarder can be extremely helpful in making these decisions.

DOCUMENTATION

A number of documents are required for exporting a consignment to overseas destinations.

You must take great care to ensure that the details are consistent in all documentation relative to the export. For example, if there is a discrepancy between the invoice and the Letter of Credit, it could create severe difficulties in receiving the payment.

Bill of Lading. This is issued by the ocean carrier as evidence of a contract for transporting the goods and receipt. It is also a document of title to the goods. Signed copies of the B/L are proof of ownership of goods. If a B/L is "straight" the goods are shipped directly to the buyer who can take possession of the goods; it is not negotiable.

Airway Bill. An airway bill is a non-negotiable instrument and, like a bill of lading, it is both a receipt for the goods and a contract of carriage. The airway bill and the title to the goods automatically go to the consignee who can take possession of the goods when they arrive.

Pro Forma Invoice. This is a delivered cost estimate, which is essential to a successful sale.

Commercial Invoice. This is used by exporters to charge the goods sold to the buyer. Exporters may use their own invoice forms, but the contents must comply with the requirements of the importing country. Normally the commercial invoice shows:

- date of issue;
- name and address of buyer and seller;
- contract number;
- description of goods, unit price, total weight of goods, number of packages;
- shipping marks and shipping numbers; and
- terms of delivery and payment.

Consular Invoice. Some countries, particularly in Latin America, require this document. Forms are usually available from the Consul and upon completion must be resubmitted for legalization.

Certificate of Origin. The purpose of this document is to establish where the goods were manufactured and also to determine the right of the goods to preferential or conventional duties. Certificates of origin are thus required for many parts of the Commonwealth. The origin of the goods may be certified by the local Chamber of Commerce or Board of Trade.

Certificate of Value. Values shown in an invoice frequently have to be confirmed by a certificate signed by an exporter stating that the invoice contains a true and full statement of the price paid for the goods. It is simply a declaration by the exporter.

Certificate of Inspection. For certain types of goods a certificate of inspection is necessary.

Health or Phyto-Sanitary Certificates. The regulations of many countries call for a certificate of health or sanitary certificate when animals, animal products (including fish), plants or other agricultural products are shipped.

Packing List. This is sometimes required to supplement the commercial invoice when many units of the same product are being shipped or when the quantities, weights or contents of packing cases may vary.

Import Licence. Many countries require the importer to obtain an import licence. You should always make sure that your customer has complied with the licencing requirements of the importing country before you ship the goods. The import licence number is usually shown on all the documents, otherwise you may not be paid in the currency of the sale.

Export Declaration Form B13. This is required when shipments are in excess of \$500 in value or when an export permit is required for exporting.