Appendix D
Export jargon

C.I.F. (Cost, Insurance, Freight)
The exporter pays the cost of the goods, cargo insurance and all transportation charges to the named point of destination.

Canadian and foreign port charges
Charges for unloading or storing goods and for dock space before loading on a ship.

Certificate of origin
A certification of the country where the product was made.

Commercial invoice
Prepared by the exporter or the forwarder. It is needed by the buyer to show ownership and arrange for payment to the exporter.

Consular invoice
May be required by certain foreign governments to have tighter control over their imports. A consular invoice requires approval of that country's consulate in Canada and frequently involves a fee.

Countertrade
A generic term encompassing export transactions where a sale to the purchaser is conditional upon a reciprocal purchase or undertaking by the exporter. Forms of these may include counterpurchase, barter, compensation or offsets.

Customs documentation charges
Special documents required by some countries to identify the origin and/or value of the shipment.

Customs invoice
Prepared by exporter or forwarder, this is a copy of the seller's commercial invoice, describing the goods bought. Customs invoices are used for import clearances and, occasionally, vary from commercial invoices.

Dock and warehouse receipt
Domestic Bill of Lading needed for contracting with trucking firm or railroad, to ship goods from the exporter's loading dock to the port.

Export declaration
Prepared by exporter or freight forwarder for shipments valued in excess of a specified amount.

Export licence
May be required for some export shipments, for example, strategic goods.

Export Management Company (EMC)
An independent firm which acts as the exclusive sales department for non-competing manufacturers. There is usually a formal agreement to manage the manufacturer's exports. Some act as an agent for the manufacturer and, in such cases, are paid a commission on the export sales. Others operate on a "buy-sell" basis, that is, EMCs buy from their manufacturers at a set price, and resell to foreign customers.

Ex-factory
The price of goods at the exporter's loading dock, i.e., the buyer owns the goods at that point and bears all the risks and cost for subsequent delivery.

Ex-works price
This price normally includes export credit insurance, financing charges and the profit margin. It excludes any costs that relate specifically to the home sales operation.

F.A.S. (Free Along Side)
The price of goods to delivery on the docks during loading. The buyer becomes responsible for the goods once they are on the docks alongside the ship.

F.O.B. (Free on Board)
The prices of goods on board the specified vessel at the specified port of shipment. If you have quoted F.O.B. prices, you are responsible for the shipment until it is loaded on board. This could cause problems in the event of a dock strike.

Financing charges
Bank fees and interest charges for handling payments, or for financing shipments.

Freight forwarder charges
Charges for the use of internal freight forwarders.

Import tariffs
Foreign government taxes levied on exports.

Insurance certificate
Prepared by the exporter and his forwarder to indicate insurance of the goods against loss or damage.

Insurance costs
Cargo insurance to cover the risks of shipping.