

CAREC Federation of Forwarder and Carrier Associations

CFCFA STANDARDIZATION INITIATIVE AND NEW DIRECTION

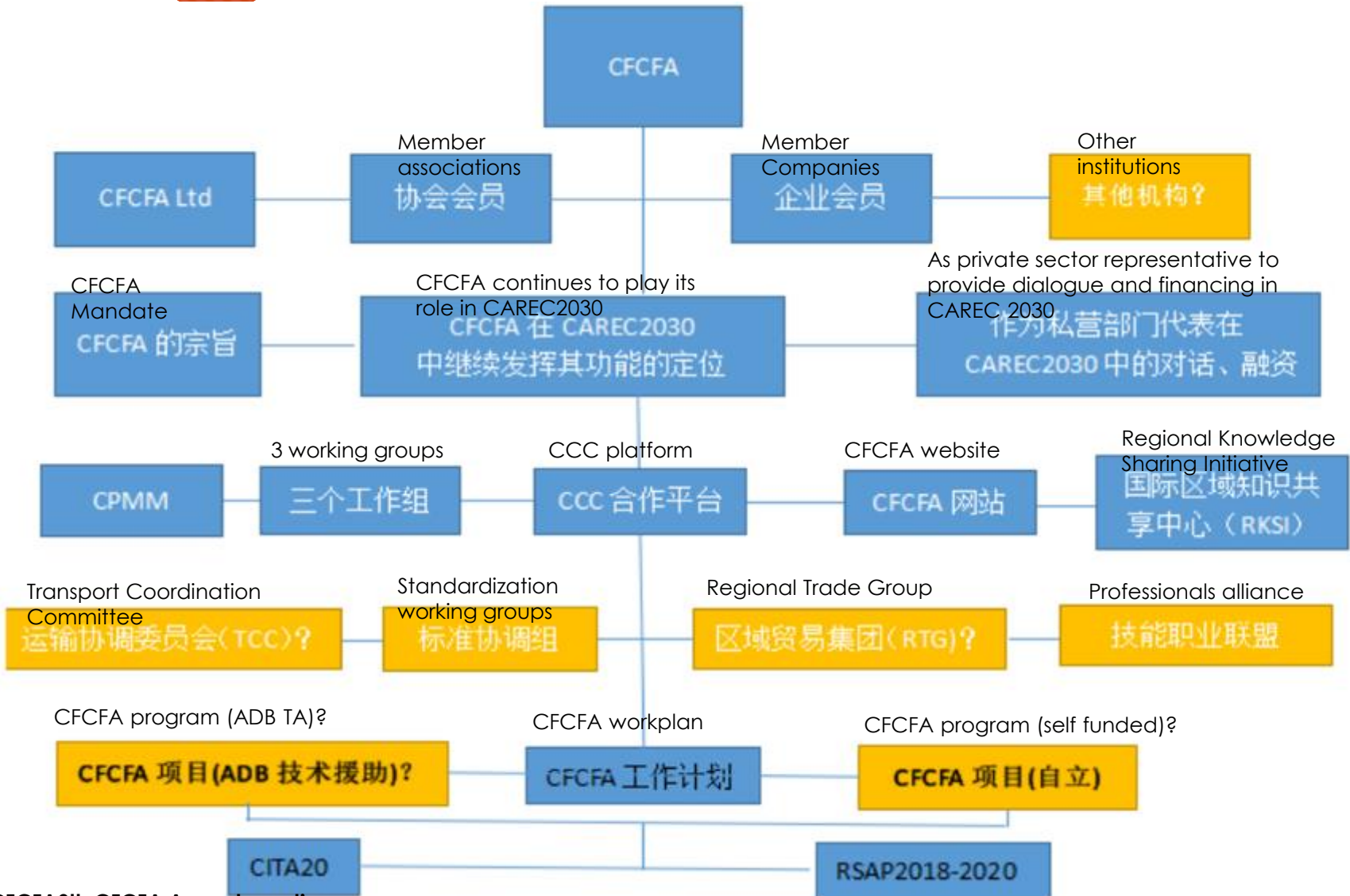


9th CFCFA Annual meeting

4 September 2018 | Ashkhabad , Turkmenistan



CFCFA Standardization Development Plan -1



CFCFA Standardization Development Plan -2

- **Importance of standardization to CFCFA and in promoting regional connectivity**

- **Development entity**

Currently CFCFA is in charge of proposing, development and management of standards.

Proposed to develop a standardization coordination mechanism, participated by various national standardization institutions.

- **Publication of standards**

CFCFA , CCC and CFCFA joint meeting

Propose to establish a dialogue mechanism to cooperate with TSC and RTG

CFCFA Standardization Development Plan -3

➤ **Service target**

To serve and integrate into the development requests proposed by CAREC countries, CITA 2030, RSAP2018-2020 and RTG, CCC and TCC.

To serve and integrate with industry development

➤ **Development direction**

Working with FIATA and participating in the development of international standards.

➤ **Goal**

Regional cooperation on international standardization

CFCFA Standardization Development Plan -4

➤ Solution

Source of standards: CFCFA members, CITA2030, RSAP(2018-2020)

Source of funding: self-finances and applying for TA funding

➤ Reference standards

➤ Phase 1

10 items in Chinese, English and Russia

➤ Phase 2

5 items in Chinese and English

➤ Phase 3

5 items in Chinese and English

Consignor

Emblem of National Association

FBL

NEGOTIABLE FIATA
MULTIMODAL TRANSPORT
BILL OF LADING

issued subject to UNCTAD / ICC Rules for
Multimodal Transport Documents (ICC Publication 481).

Consigned to order of

Notify address

Suppliers or Forwarders Principals

Emblem of National Association

CFCFA FCT

No. []

Forwarders
Certificate of Transport
ORIGINAL

CCC

Consigned to order of

Forw,Ref,

Phase 4, focusing on developing transportation documentations

CFCFA Standardization Phase 3 -1

CFCFA Phase 3 standards

- CFCFA Recommended standard 016 - ebXML based International Road Transport Waybill Message
- CFCFA Recommended standard 017 – ebXML based Packing List Message
- CFCFA Recommended standard 018 – ebXML based Inquiry Sheet (Quote request/offer invitation) message
- CFCFA Recommended standard 019 – ebXML based Booking Application Message
- CFCFA Recommended standard 020 – ebXML based General Certificate of Origin message
- The above standard stipulates the structure and compiling method based on ebXML 5 documents, which is applicable to the international trade industry. Electronic data exchange based on ebXML, and also as a reference for enterprises and related organizations to carry out electronic documents management.



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CFCFA Standardization Phase 3 -2

CFCFA Recommended Standards 016

International road Freight Waybill serves as proof of international road freight transport and contract with the freight forwarder. It also serves as a cargo receipt. The consignor and the carrier shall confirm on and transfer the Waybill as the consignor has handed over the consignment to the carrier or its agent or as the consignment has been loaded to designated transport vehicle. The carrier or its agent shall issue the Waybill, which will be signed by the carrier or its agent, and the consignor, as proof that the goods has been loaded on the vehicle. The Waybill shall serve as certificate regarding the carrier's liability during the transportation process. All parties (consignor, shipper, carrier, agent, FF, consignee, driver, envoy) shall use information on the Waybill for necessary information exchange.

CFCFA Recommended Standards 017

Packing list is a complete set of trade documents an indispensable document, but also a commercial invoice a supplementary document. It serves as the main basis for buyer to receive goods or customs to check the goods. In practice, the importer, exporter or its designated FF shall use the packing list to declare to customs, quarantines, logistic companies (such as shipping company), etc.

CFCFA Standardization Phase 3 -3

CFCFA Recommended standards 018

An inquiry sheet (quotation/offer invitation) is a document issued by the purchaser (the buyer) to the supplier (the seller) to invite its offer. A detailed list of the required quotations is specified in the document and the delivery, payment terms, etc. The issuing of the inquiry sheet (bid/offer) expresses the buyer's intention to do so, and the seller may decide whether to accept the invitation and offer a quotation for the goods according to the enquiry form (Quotation/invitation) information. The buyer negotiates with the seller on the party's information, tariff and payment terms, and exchanges necessary information by transmitting the inquiry sheet (quote request/invitation) message or one or more related extended data (or files).

CFCFA Recommended standards 019

The booking application [book] is a document issued by the booking applicant to the carrier, requesting the reservation of space for the specified goods in accordance with the agreed conditions, indicating the means of transport and the time of shipment of the appropriate goods. The booking applicant negotiates with the carrier on the party's information, tariffs and payment terms, and exchanges necessary information by transmitting the booking application [book] or one or more extended data (or files).

CFCFA Recommended standards 020

A general Certificate of origin is a document issued by an export enterprise on its own initiative and verified by a government authority or other authorized authority, certifying that the goods involved in the certificate are originating in a particular country (or a national Union, region or part of a country), A manufacturer, manufacturer, supplier, exporter or other declaration of a legally qualified person may also be included in the certificate. It is usually issued by the National Chamber of Commerce according to the ICC template. The export enterprise and the competent government department exchange the necessary information by transmitting the general Certificate of Origin application information, or the general certificates of origin, or one or more related extended data (or

CFCFA Phase 4 Corridor Documentation Development -1



CFCFA Phase 4 Corridor Documentation Development -2

International Railway intermodal Transport and International road waybill

Non-negotiable documents (proof of ownership), can not be widely used in the settlement of letters of credit.

Restricting rapid development of international trade and logistics finance in countries along the railway and highway transportation.

Solution

In order to adapt to the rapid development of railway and highway transportation, the concept of “trackless carrier” has been put forward, and the “International Railway Bill of Lading” has been piloted in certain places.

China uses “Non-Truck Operation Carrier” but it is not applicable to international road transport.

Multi-modal B/L shall issued by Non-Vessel Operation Carrier shall include maritime shipping.

Conditions

Transport documentation issued by international FF is negotiable. It covers liability of goods shipping and delivery as ordered by the shipper, but cannot be applied when there is a transit between international railway transport and road transport.

CFCFA Phase 4 Corridor Documentation Development -3

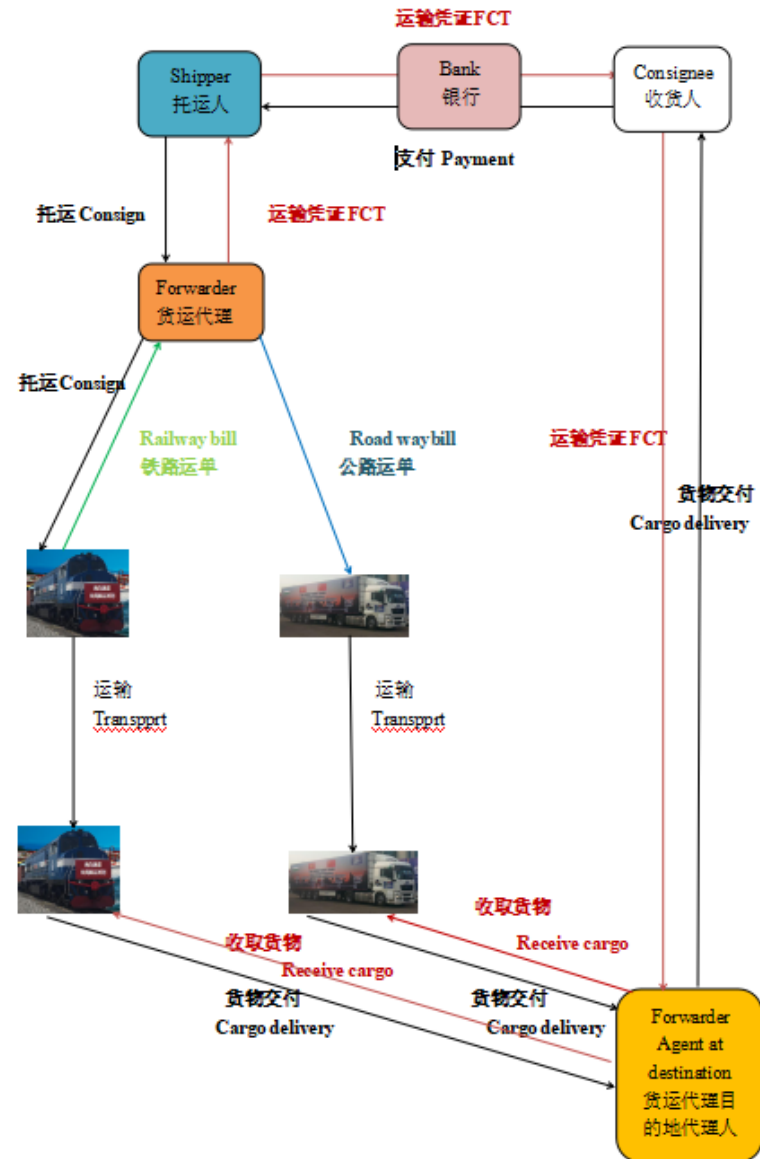
Forwarder Certificate of Transport, FCT

FCT satisfies the above conditions

Responsible for shipping and delivery of the goods covered by the shipper's instructions. (CFCFA recommended standard 002 International Logistics Liability Insurance carrier Liability insurance basic elements)

FCT back should contain standard trading conditions. (CFCFA recommended standard 005 International Freight Forwarders standard trading conditions)

The practice of issuing documents should be observed. (CFCFA recommended standard 001 International Freight forwarding documents for the preparation of regulations)



CFCFA Phase 4 Corridor Documentation Development -4

Introduction of FIATA Documentations

1 Negotiable FIATA Multimodal Transport Bill of Lading , FIATA FBL ;

2. Non-negotiable FIATA Multimodal Transport Waybill ,FIATA FWB;

3. Forwarders Certificate of Receipt , FIATA FCR ;

4. Forwarders Certificate of Transport, FIATA FCT;

5. FIATA Warehouse Receipt, FIATA FWR;

6. Shippers Declaration for the Transport of Dangerous goo

7. Forwarding Instructions, FIATA FFI ;

8. Shippers Intermodal Weight Certificate , FIATA SIC

CFCFA Phase 4 Corridor Documentation Development - 5

Purposed of FIATA's introduction of FCT

- ❧ Customers often require freight forwarders to issue freight forwarding bills of lading to prove their commitment to transport.
- ❧ If the L/C requires a freight forwarding bill of lading, the customer may receive payment upon delivery of the bill of lading.
- ❧ However, these documents are often misleading because they are usually issued by the freight forwarder as an agent of the carrier, and the carrier is not clearly specified.
- ❧ And the back clause is usually exempt from any liability of the forwarding agent.
- ❧ Steer clear of U.S. NVOCC supervision
- ❧

Suppliers or Forwarders Principals		 FIATA FCT Forwarders Certificate of Transport ORIGINAL	
Consigned to order of		No. <input type="text"/> <small>Country</small> <input type="text"/> Forw. Ref. <input type="text"/>	
Notify address			
Conveyance		from/via	
Destination			
Marks and numbers	Number and kind of packages	Description of goods	Gross weight Measurement
			
according to the declaration of the consignor			
The goods and instructions are accepted and dealt with subject to the General Conditions printed overleaf. Acceptance of this document or the invocation of rights arising therefrom acknowledges the validity of the following conditions, regulations and exceptions also of the trading conditions printed overleaf, except where the latter conflict with conditions 1-8 below.			
1. The undersigned are authorized to enter into contracts with carriers and others involved in the execution of the transport subject to the latter's usual terms and conditions. 2. The undersigned do not act as Carriers but as Forwarders. In consequence they are only responsible for the careful selection of third parties, instructed by them, subject to the conditions of Clause 3 hereunder. 3. The undersigned are responsible for delivery of the goods to the holder of this document through the intermediary of a delivery agent of their choice. They are not responsible for acts or omissions of Carriers involved in the execution of the transport or of other third parties. The undersigned Forwarders will, on request, assign their rights and claims against Carriers and other parties. 4. Insurance of the goods will only be effected upon express instructions in writing. 5. Unforeseen and/or unforeseeable circumstances entitle the undersigned to arrange for deviation from the envisaged route and/or method of transport. 6. Unforeseen and/or unforeseeable disbursements and charges are for the account of the goods.			
Insurance through the intermediary or the undersigned Forwarders <input type="checkbox"/> Not covered <input type="checkbox"/> Covered according to the attached Insurance Policy / Certificate			
All disputes shall be governed by the law and within the exclusive jurisdiction of the courts at the place of issue.			
For delivery of the goods please apply to:			
Freight and charges prepaid to:			
therefore for account of goods, lost or not lost.			
		We, the Undersigned Forwarders in accordance with the instructions of our Principals, have taken charge of the abovementioned goods in good external condition at: for despatch and delivery as stated above or order against surrender of this document properly endorsed. In witness thereof the Undersigned Forwarders have signed originals of this FCT document, all of this tenor and date. When one of these has been accomplished, the other(s) will lose their validity.	
		Place and date of issue Stamp and signature	

CFCFA Phase 4 Corridor Documentation Development - 6

FCT Front Clauses

Fill in according to Shipper's statement

Goods and orders shall be handled according to the standard terms printed at the back.

The acceptance of this document or the exercise of the right is derived from the acknowledgement of the validity of the terms, conditions, circumstances, and terms of the transaction printed on the back, unless it is inconsistent with the following 1-6 terms.

1. The issuer of this document is entitled to enter into contracts with the carrier and other persons involved in the execution of the carriage, subject to the usual terms and conditions of the latter.

2. The issuer of this document is not a carrier but a forwarding agent. Accordingly, they are only cautious in choosing the obligations of third parties and receiving their instructions, based on the terms of the 3rd paragraph below.

3. It is the responsibility of the issuer to deliver the goods to the holder of this document through their chosen delivery agent. The issuer is not responsible for the conduct or negligence of the carrier or other third party performing the carriage. The shipping agents of the issuer of this document may, upon request, transfer their rights and claim against the carrier and other parties.

4. Goods can only be insured with clear written instructions.

5. The issuer shall have the right to arrange for the winding and/or other means of transport, in the event of unforeseen and/or unforeseen circumstances.

6. Expenses and expenses not foreseen and/or unforeseen are not borne by the

CFCFA Phase 4 Corridor Documentation Development - 6

FCT Front Clauses

Insurance through intermediary or the issuer of this document

Not insured Insured under the attached policy/insurance certificate

All disputes shall be exclusive to the Court of issue of this document and shall be governed by the law of the place of issue.

Delivery of goods please contact:

Freight and charges prepaid to:

Agent will handle regardless of the loss of above goods

We, as the shipping agent issuing the document, take over the above goods in XXX in accordance with the instructions of our client and deliver the goods as soon as possible and in accordance with the above requirements or the instructions of the holder of the documents duly endorsed.

We have witnessed that the freight forwarder has issued a copy of XX original shipping agent shipping certificate. Once one is submitted, the remainder is invalidated.

Place and date of issuance of documents

Signature and Seal

CFCFA Phase 4 Corridor Documentation Development - 7

Issuance of FCT

1. The freight forwarder or its agent (branch office or intermediary freight forwarder) has been in charge of the goods, and he may independently enjoy the right to dispose of the goods.◦
2. Goods appear to be in good condition.
3. The particulars on the document must be consistent with the instructions he has received.
4. The contents of a transport document (e.g. a bill of lading) are not inconsistent with his obligations under the receipt certificate.
5. Clearly insured liability.◦
6. Is there one or more original documents.◦

CFCFA Phase 4 Corridor Documentation Development - 8

Comparison with FCR

The essential difference is that FCT can be transferred, while FCR does not have such a nature.

In order to ensure that the goods are delivered to the FCT holder, the freight forwarder will hand over the goods to the agent of their destination. The forwarding agent instructs its destination agent to hold the goods until FCT is received. FCT considers the agent of the destination to be the party to whom the FCT holder must apply for access to the goods.

Unlike FCR, FCT does not have to contain special instructions relating to cargo insurance.

Comparison between FCT and Fiata bill of lading (FBL)

Unlike FBL, the shipping agent issuing the FCT clearly claims that it is not a carrier. FCT confirms that the freight forwarder is entitled to enter into a contract of carriage with the carrier in accordance with the usual conditions of its chosen carrier. The freight forwarder shall not be liable for any act or negligence of the carrier in the performance of the contract of carriage.

Although freight forwarders are not as carriers, it can still provide customers with the actual guarantee that the goods will arrive at their destination.

If arrangements are made in advance, FCT may be fully reimbursed under the L/C. So it's actually a FBL substitute.

In order to allow the holder of the FCT to direct claims against the carrier, the freight forwarder will give the holder the right to replace the freight forwarder under these contracts.

CFCFA Standardization Work Plan -1

Priority

- 1. Working with Chongqing FF association to pilot and promote new documentations and standards, with cooperation from all member associations and member companies.**
(Has obtained the Chongqing government's cooperation pledge)
2. Continue to promote the establishment of standardization coordination committees or working groups, encouraging members of associations to recommend the participation of CAREC national standardization bodies.
3. To amend the 20 published standards according to the feedbacks and advocate for their promotion.
4. Encourage members to make recommendations for the development of new standards.
5. Continue to maintain contact with FIATA and establish standardization cooperation.
6. Encourage corporate members to participate in CFCFA standardization activities.
7. According to the requirements of CITA2030, rsap2018-2020, regional trade group (RTG) and CCC, the standardization projects involved are studied and corresponding suggestions are made.
8. Propose to develop 10 new standards

CFCFA Standardization Work Plan -2

Propose to develop 10 new standards

1. Automobile Freight forwarding Service quality standard
2. International Freight Forwarding railway transport operation code
3. Risk prevention and control of goods delivery and payment in international trade
4. Wood Packaging Quarantine Service quality requirements
5. Import and export goods wooden Packing declaration specification
6. International Logistics Enterprise Credit Management Standard
7. International Freight Forwarders Dangerous goods transport service quality requirements
8. Perishable Food Truck Transport Service quality requirements
9. Refrigerated vehicle Application Type Selection Technical specification
10. Cargo whole transportation Monitoring equipment Technical Specification

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Thank you for your attention!



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