# Basic Export Documentation

Every country has its own requirements, but a number of documents are commonly used in the export process:

**Commercial Invoice (certified invoice)**

- This is the "charge" document, containing details of the seller, buyer, goods, price, terms of sale (e.g., FOB, CIF), etc. It must follow the requirements of the importing country, where it is used for clearing goods through Customs.
- Goods being sold under a letter of credit must be described on the invoice exactly as in the letter of credit. This invoice must also meet any other requirements stipulated in the letter of credit and show marks and numbers of packages as on the bill of lading or other transport documents.

**Bill of Lading (B/L)**

- This is issued by or for the shipping company and serves as a receipt for goods uplifted for shipment, as a contract of carriage and as a legal document of title. On delivery of the goods the consignee is required to surrender a negotiable copy of the bill of lading to take possession.
- With the development of containerisation and the use of different means of transport (land and sea) under one contract of carriage, the traditional marine bill of lading is now being used less often in international trade.
- Variations of these documents are a marine bill of lading, a combined transport document, or house bill of lading.

**Airway Bill (AWB)**

- The AWB is equivalent to a bill of lading for goods sent by air. Note courier companies often have their own documentation that travels with the goods which is unique to that transaction.

**Certificate of Origin**

- The origin of goods has a direct bearing on the rate of customs duty. Certification of origin may be incorporated in the commercial invoice, but a separate document, issued or countersigned by the Chamber of Commerce in the country of origin may often be necessary.

**Export Entry**

All exports with a value over $1000 FOB (unless otherwise exempted) must be supported by an export entry lodged with the New Zealand Customs Service. Information declared on Customs export entries is passed daily to Statistics NZ for direct input into balance of trade reporting. In addition, the information forms part of the assessment of particular industries and markets, assisting in the identification of development and trade opportunities. Thus, it is vital that all exporters comply with the requirement to lodge entries. Failure to lodge an export entry may incur penalties.

- Export entries may be lodged electronically by accessing the Customs web site http://www.customs.govt.nz then clicking on the hyperlink to NZ Customs Online Declarations web site. EDI software may also be purchased to electronically transfer entries to Customs, generally by companies that have a high volume of entries.
- Unless Customs has otherwise approved, entries must be lodged with Customs 48 hours prior to export. Information required on the entry includes description of goods: tariff item number; statistical quantity where required; number and kind of packages; $NZ FOB value; gross weight; ship/aircraft etc. A Customs "Frontline" officer will assist you to get started – call your nearest Customs Office to arrange a visit.
- If the exported goods contain imported goods upon which duty has been paid, or they are excisable goods upon which excise duty has been paid, you may be entitled to claim drawback of this duty – details are on the Customs web site, or call your local Customs Office and ask for a "Frontline" officer to visit you.

**Certificate of Content**

- This is an informal document you may sometimes have to provide to demonstrate the New Zealand content if you are claiming any preferences on entry into some markets (especially Australia) or avoiding penalties into others.
- New Zealand Trade and Enterprise or your freight forwarder can help with deciding what is accepted content. The rules for content between Australia and New Zealand are part of the Closer Economic Relations (CER) agreement between the two countries.

**Insurance Policy Certificate**

- The insurance document must comply with any terms in a letter of credit. The insurance coverage of goods being shipped without letter of credit is determined by arrangements between buyer and seller.

**Cargo Insurance**

Export goods must be well covered by insurance and both parties to the export transaction must be fully aware of their responsibilities.
Exporters may often have an insurable interest long after the goods have left their possession, while buyers could be "on risk" before the goods are actually received.
The terms of cover are usually laid down in the sale contract or letter of credit. Three common categories have been formulated by the Institute of London Underwriters.
These "Institute Clauses" are used internationally:

- Free of particular average (FPA) is restricted cover basically confined to total losses from marine perils of a package during loading, transhipment or discharge. Claims for partial loss or damage cannot be recovered unless the vessel is stranded, sunk, burnt or in collision.
- With average (WA) cover extends the FPA clause to include partial loss arising from heavy weather and sea-water damage.
- All risks (AR) covers all risks of loss or damage. However, it excludes loss or damage arising from delay, inherent vice or the nature of the goods insured. Events such as goods lost because of inadequate packaging, weight loss from drying out or market loss are not covered by this clause.

**Marine Open Cover**

Marine cover guarantees cover for all goods in which you have an interest up to a specified amount.
You have to provide details of each shipment made but, if the declaration is delayed or lost, continuity of cover is guaranteed even after a claim has been made.
Marine open cover is generally open ended with no expiry date. Either party can cancel, if they wish, with prior notice.