

## Glossary

**Backhaul** To haul a shipment back over part of a route that it has already traveled; return movement of cargo, usually opposite from the direction of its primary cargo destination.

**Beam** The width of a ship.

**Berth** Civil engineering structures located on a quay to allow oceangoing vessels and other floating craft to be moored or secured alongside with the purpose of loading/offloading cargoes. Berths are usually classified to the water depth in front of them. Distinction is made between dedicated container berths, dry bulk berths, liquid bulk berths and general cargo, multipurpose or neo bulk berths.

**Berth dues (or quay dues or dockage)** Charges for the use of a berth. Typically assessed based on the duration of a vessel's stay and length overall (LOA).

**Bonded warehouse** A warehouse authorized by customs authorities for storage of goods on which payment of duties is deferred until the goods are removed.

**Border control services** Services of the Contracting Parties competent to carry out border controls, such as frontier police, customs, plant protection and veterinary inspections services, and any other services as may be deemed necessary.

**Break-bulk** A loose, non-containerized cargo stowed directly into a ship's hold, to

ship in small, separable units. Loose cement, grain, ores, etc. are termed "bulk cargo," whereas cargo shipped in units (bags, bales, boxes, cartons, pallets, drums, sacks, etc.) is "break-bulk".

**Broker** A person who arranges for transportation of loads for a percentage of the revenue from the load.

**Build-operate-transfer (BOT)** A form of concession where a private party or consortium agrees to finance, construct, operate and maintain a facility for a specific period and transfer the facility to the concerned government or port authority after the term of the concession. The ownership of the concession area (port land) remains with the government or port authority during the entire concession period. The concessionaire bears the commercial risk of operating the facility.

**Build-own-operate-transfer (BOOT)** A form of concession where a private party or consortium agrees to finance, construct, own, operate, and maintain a facility for a specific period and transfer the facility to the concerned government or port authority after the term of the concession. The ownership of the concession area (port land) vests in the private party or consortium during the entire concession period and is transferred to the government or port authority at the end of the concession period. As with the BOT, the concessionaire bears the commercial risk of operating the facility.

198 African Development Report 2010

---

**Bulk carrier/vessel** All vessels designed to carry bulk cargo such as grain, fertilizers, ore, and oil.

**Bulkhead** A structure to resist water; a partition separating one part of a ship from another part.

**Bunkering** The act or process of supplying a ship with fuel.

**Bunkers** (a) A bin or tank, especially for fuel storage on board a ship; (b) Fuel used aboard ships.

**Capesize vessels** A very large bulk carrier between 80–150,000 dwt, which used to be unable to transit the Suez Canal and therefore forced to sail around the Cape of Good Hope to and from Europe. Now those vessels can transit through the Suez Canal as long as they meet the draft restriction (18.91 m/62 ft as at 2008).

**Cargo tonnage** Ocean freight is frequently billed on the basis of weight or measurement tonnes. Weights tons can be expressed in terms of short tons of 2,000 pounds, long tons of 2,240 pounds, or metric tons of 1,000 kilograms (2,204.62 pounds). Measurement tons are usually expressed as cargo measurements of 40 cubic feet (1.12 cubic meters) or cubic meters (35.3 cubic feet).

**Carrier** Any legal or naturalized person who, in a contract of carriage and in accordance with the national laws and regulations of the Contracting Parties, undertakes to perform or to procure the performance of carriage by sea, inland

waterway, rail, road, air, or by a combination of such modes.

**Clearance** The size beyond which vessels, cars, or loads cannot pass through, under, or over bridges, tunnels, highways, and so forth.

**Common carrier** A transportation company that provides services to the general public at published rates.

**Concession** An arrangement whereby a private party (concessionaire) leases assets from an authorized public entity for an extended period and has responsibility for financing specified new fixed investments during the period and for providing specified services associated with the assets; in return, the concessionaire receives specified revenues from the operation of the assets; the assets revert to the public sector at expiration of the contract.

**Consolidation** Cargo that consists of shipments of two or more shippers or suppliers. Container load shipments may be consolidated for one or more consignees.

**Container** Steel or aluminum frame forming a box in which cargo can be stowed meeting International Standard Organization (ISO)-specified measurements, fitted with special castings on the corners for securing to lifting equipment, vessels, chassis, rail cars, or stacking on other containers. Containers come in many forms and types, including: ventilated, insulated, refrigerated, flat rack, vehicle rack, open top, bulk liquid, dry bulk, or

other special configurations. Typical containers may be 10 ft, 20 ft, 30 ft, 40 ft, 45 ft, 48 ft, or 53 ft in length; 8 ft or 8.5 ft in width; and 8.5 ft or 9.5 ft in height.

**Container berths** Number of berths designated for the loading and unloading of containerized cargoes.

**Container freight station** A dedicated port or container terminal area, usually consisting of one or more sheds or warehouses and uncovered storage areas where cargo is loaded (“stuffed”) into or unloaded (“stripped”) from containers and may be temporarily stored in the sheds or warehouses.

**Container handling capacity** The number of containers, usually expressed in the standard dimension of TEU, that a port or terminal is designed to handle in a period of one year. A Twenty Foot Equivalent Unit (TEU) is the standard unit to express container capacity. A TEU is a representation of a container with the following dimensions: 8 ft wide; 8 ft or 8 ft 6 in or 9 ft 6 in in height; and 20 ft long. The very large portion of the world container population consists of 20 ft and 40 ft containers. A 40 ft container equals 2 TEUs.

**Container pool** (a) An agreement between parties that allows the efficient use and supply of containers; (b) a common supply of containers available to the shipper as required.

**Container terminal** An area designated for the handling, storage, and possibly loading or unloading of cargo into or out of

containers, and where containers can be picked up, dropped off, maintained, stored, or loaded or unloaded from one mode of transport to another (that is, vessel, truck, barge, or rail).

**Container vessel** Ship equipped with cells into which containers can be stacked. Container ships may be full or partial, depending on whether all or only some of its holds are fitted with container cells.

**Container yard** A container handling and storage facility either within a port or inland.

**Contraband** Cargo that is prohibited.

**Contract carrier** Any person not a common carrier who, under special and individual contracts or agreements, transports passengers or cargo for compensation.

**Controlled atmosphere** Sophisticated, computer-controlled systems that manage the mixture of gases within a container throughout an intermodal journey, thereby reducing decay.

**Corridor** A geographical concentration of transport infrastructures and transit activities between two or more economic centers, linking them to one another, and often to ports/international markets.

**Customs broker** A person or firm, licensed by the customs authority of their country when required, engaged in entering and clearing goods through customs for a client (importer).

## 200 African Development Report 2010

---

**Customs house** A government office where duties are paid, import/export documents filed, and so forth, on shipments.

**Demurrage** A penalty charge against shippers or consignees for delaying the carrier's equipment beyond the allowed free time. The free time and demurrage charges are set out in the charter party or freight tariff.

**Dock or quay** A structure attached to land to which a vessel can be moored.

**Draft (or draught)** The depth of a ship while in the water. Measured as the vertical distance between the waterline and the lowest edge of the keel.

**Dredging** Removal of sediment to deepen access channels, provide turning basins for ships, and maintain adequate water depth along waterside facilities.

**Dry bulk** Loose, mostly uniform cargo, such as agribulk products, coal, fertilizer, and ores, that are transported in bulk carriers.

**Dry bulk berths** Number of berths designated for the loading and unloading of dry bulk cargoes. Dry bulk cargoes are homogeneous cargoes that are usually transported in loose form, being loaded and unloaded in a more or less continuous way with the use of mechanical equipment and devices such as grabs, conveyor belts, section machines, etc. Examples of dry cargoes include: coal oil, liquid chemicals and liquefied gases.

**Dwell time** The time cargo remains in a terminal's in-transit storage areas, while awaiting shipment (for exports) or onward transportation by road/rail (for imports). Dwell time is one indicator of a port's efficiency: the higher the dwell time, the lower the efficiency.

**Electronic data interchange (EDI)** Transmission of transactional data between computer systems.

**Feeder service** Transport service whereby loaded or empty containers in a regional area are transferred to a "mother ship" for a long-haul ocean voyage.

**Fixed costs** Costs that do not vary with the level of activity. Some fixed costs continue even if no cargo is carried; for example, terminal leases, rent, and property taxes.

**Forklift** Also called a lift truck, a high/low, a stacker-truck, trailer loader, or a sideloader, it is a powered industrial truck used to lift and transport materials.

**Forty-foot (40 ft) equivalent unit (FEU)** Unit of measurement equivalent to one 40-ft container. Two 20-ft containers (TEUs) equal one FEU.

**Free trade zone (FTZ)** A zone, often within a port (but not always), designated by the government of a country for duty-free entry of any nonprohibited goods. Merchandise may be stored, displayed, or used for manufacturing within the zone and reexported without duties being applied.

**Gantry crane** A crane fixed on a frame or structure spanning an intervening space typically designed to traverse fixed structures such as cargo (container) storage areas or quays and which is used to hoist CONTAINERS or other cargo in and out of vessels and place or lift from a vessel, barge, trucks, chassis, or train.

**Gateway** A point at which freight moving from one territory to another is interchanged between transportation lines.

**Grounding** Contact by a ship with the ground while the ship is moored or anchored as a result of the water level dropping, or when approaching the coast as a result of a navigational error.

**Harbor dues (or port dues)** Charges by a port authority to a vessel for each harbor entry, usually on a per gross tonnage basis, to cover the costs of basic port infrastructure and marine facilities such as buoys, beacons, and vessel traffic management system.

**Inland carrier** A transportation company that hauls export or import traffic between ports and inland points.

**Intermodality** The use of two or more modes of transport in an integrated manner in a door-to-door transport chain.

**Jetty (or pier)** A structure that is perpendicular or at an angle to the shoreline to which a vessel is secured for the purpose of loading and unloading cargo.

**Landlocked state** A state which has no sea coast or which does not have a direct link with the sea coast through its own territory.

**Landlord port** An institutional structure where the port authority or other relevant public agency retains ownership of the port land and responsibility for port planning and development, as well as the maintenance of basic port infrastructure and aids to navigation.

**Lender's direct agreement** Agreement between parties to a concession or BOT agreement (government or port authority and special purpose vehicle [SPV] or terminal operator) and the lenders (usually banks or a consortium of banks) setting out the rights and obligations of the lenders in relation to the government or port authority regarding the facilitation of the financing of a port project. The lender's direct agreement is used in the event of a proposed termination of the concession agreement to induce the lenders to provide the debt to the SPV or operator under the financing documents. These rights and obligations usually comprise assignment rights with respect to the concession and the site lease agreement, priority rights with respect to repayment of the debt, and step-in rights in case of termination as a result of breach of contract by the SPV or operator.

**Lighter** An open or covered barge towed or pushed by a TUGBOAT or a pusher tug and used primarily in harbors and on inland waterways to carry cargo to or from the port.

## 202 African Development Report 2010

---

**Liner** A vessel sailing between specified ports on a regular basis.

**Liner conference** Agreement between two or more shipping companies to provide scheduled cargo and/or passenger service on a particular trade route under uniform rates and common terms. Also called shipping conference.

**Liquid bulk berths** Number of berths designated for the loading and unloading of liquid bulk cargoes. Liquid bulk cargoes are liquids that are transported in tank compartments on board a vessel and stored in tanks on shore. The cargo is loaded and unloaded by means of pumps. Examples of liquid bulk cargoes are: crude oil, liquid chemicals and liquefied gases.

**Loaded draught (or draft)** Depth of water to which a ship is immersed when fully loaded.

**Lo-lo (lift-on lift-off)** Cargo-handling method by which vessels are loaded or unloaded by either ship or shore cranes.

**Mixed cargo** Two or more products carried on board one ship.

**Mobile crane** General purpose crane capable of moving on its own wheels from one part of a port to another.

**Mode of transport** Method used for the movement of goods or people (e.g. by sea, road, rail).

**Multi-purpose berths** Number of berths designated for the loading and unloading

of multipurpose cargoes. These are any assortment of conventional general, unitized, containerized and/or NEO-BULK cargo. Examples of neo-bulk cargoes are: motor cars, sawn timber and steel products.

**Neobulk cargo** Uniformly packaged goods, such as wood pulp bales, which stow as solidly as bulk, but are handled as general cargoes.

**Open Registry** National ship registry — under a national flag — open to ships of all nations, regardless of nationality.

**Panamax** Panamax ships are the largest ships that can pass through the locks of the Panama Canal (specifically used for dry bulk and container vessels). Panamax ships can measure up to 956 ft long (for container ships), 105 ft wide, 190 ft from the waterline, and up to 39 ft below the waterline. Weight can vary, but based on these measures should average between 65,000–69,000 tons. Ships too large to transit the canal are called “post-Panamax.”

**Pilotage** The act of assisting the master of a ship in navigation when entering or leaving a port or in confined water.

**Pooling** Sharing of cargo or the profit or loss from freight by member lines of a LINER CONFERENCE.

**Port dues (or harbor dues)** Charges levied against a shipowner or ship operator by a port authority for the use of a port (see also HARBOR DUES).

**Port handling capacity** The design cargo handling capacity of a port expressed in tonnes/year.

**Port of registry** Place where a ship is registered with the authorities, thereby establishing its nationality.

**Project financing** Financing wherein the lender looks to a project's cash flows to repay the principal and interest on debt, and to a project's assets for security; also known as "structured financing" because it requires structuring the debt and equity such that a project's cash flows are adequate to service the debt.

**Rail-mounted gantry (RMG) or rail-mounted container gantry crane** Used for container acceptance, delivery, and stacking operations in a container yard.

**Reefer** Refrigerated container or vessel designed to transport refrigerated or frozen cargo.

**Relay** To transfer containers from one ship to another.

**Ro/ro** A shortening of the term "roll-on, roll-off." Ro/ro is a cargo handling method whereby vessels are loaded via one or more ramps that are lowered on the quay.

**Rubber-tired gantry (RTG) or rubber-tired container gantry crane** Gantry crane on rubber tires typically used for acceptance, delivery, and container stacking at a container yard.

**Shed** Covered area for the reception, delivery, consolidation, distribution, and

storage of cargo. *Note:* A warehouse usually points at longer-term storage, whereas a shed usually is used for shorter-term storage. (Also see WAREHOUSE)

**Side loader** A lift truck fitted with lifting attachments operating to one side for handling containers.

**Stevedoring** To load or unload a cargo while in port.

**Sto-ro** A vessel with capacity for break-bulk cargo as well as vehicles or trailer borne cargo.

**Storage capacity** The area in a port designated for the storage of cargo.

**Stowage factor** The average cubic space occupied by one ton weight of cargo as stowed aboard a ship.

**Super Post-Panamax** The latest generation of "super post Panamax" vessels has a width of about 22 container rows, compared to "post Panamax" vessels, which accommodate 18 container rows.

**Supply chain** A logistics management system that integrates the sequence of activities from delivery of raw materials to the manufacturer through to the delivery of the finished product to the customer in measurable components.

**Tare weight** The weight of wrapping or packing; added to the net weight of cargo to determine its gross weight.

**Traffic in transit** Passage of traffic across the territory of a Contracting Party with or

## 204 African Development Report 2010

---

without transshipment, warehousing, breaking bulk, leaning, repairing, repacking, assembly, disassembly, reassembly of machinery and goods, and change of mode and means of transport when any such operation is undertaken solely for the convenience transportation, provided that such passage is only a portion of a complete journey beginning and terminating beyond the frontier of the State across whose territory the traffic passes.

**Transit** Passage across the territory of a Contracting Party when such passage is only a portion of a complete journey, beginning and terminating beyond the frontier of the State across whose territory the transit takes place.

**Transshipment** A distribution method whereby containers or cargo are transferred from one vessel to another to reach their final destination, compared to a direct service from the load port of origin to the discharge port of destination. This method is often used to gain better vessel utilization and thereby economies of scale by consolidating cargo onto larger vessels while transiting in the direction of main trade routes.

**Transshipment port** A port where cargo is transferred from one carrier to another or from one vessel of a carrier to another vessel of the same carrier without the cargo leaving the port.

**Tugboat** A boat that maneuvers vessels by pushing or towing them. Tugs move vessels that should not move themselves alone, such as ships in a crowded harbor or a narrow canal, or those that cannot move themselves, such as barges, disabled ships, or oil platforms. Tugboats are powerful for their size and strongly built, some are ocean-going. Some tugboats serve as icebreakers or salvage boats. Early tugboats had steam engines; today diesel engines are used.

**Turnaround time** The time it takes between the arrival of a vessel and its departure from port; frequently used as a measure of port efficiency.

**Twenty-foot equivalent unit (TEU)** Container size standard of 20 ft. Two 20-ft containers (TEUs) equal one FEU (40-ft container). Container vessel capacity and port throughput capacity are frequently referred to in TEUs.

**Variable cost** Costs that vary directly with the level of activity within a short time. Examples include costs of moving cargo inland on trains or trucks, STEVEDORING in some ports, and short-term equipment leases.

**Warehouse** Covered area for the reception, delivery, consolidation, distribution, and storage of cargo. *Note:* A warehouse usually points at longer-term storage, whereas a shed usually is used for shorter-term storage. (Also see SHED)