

## Appendix v: Pro forma Invoice – Air Freight

### Woker Freight Services (Pty) Ltd

P.O. Box 4  
166 3rd Street East  
Walvis Bay  
Namibia

Sample only



Telephone +264 64 201 2211  
Fax: +264 64 204217 ore 202530  
Vat Registration No. 0012403-01-5

INVOICE NO: **Pro - forma**  
DATE: January 14, 2003

To: CLIENT X  
P.O. BOX 123  
WINDHOEK  
NAMIBIA

COMMENT:

Attention: XXX

our File Ref:

Description of Goods	Flight	Airwaybill Number	Type of Sale
50 KG STC BOOKS	SW 287 TO FRANKFURT	186 50042370	Cash Sale (N0555)

DESCRIPTION		AMOUNT in NS	
Airfreight charges	1,250.00	-	1,250.00
Fuel Surcharge	40.00	-	40.00
Airline Security Fee	59.00	8.85	67.85
Airwaybill Fee	55.00	8.25	63.25
Documentation Fee	350.00	52.50	402.50
Communication Fee	120.00	18.00	138.00
Transport to Windhoek airport	40.00	6.00	46.00
	-	-	-
	-	-	-
	-	-	-

<b>Bank Details:</b> Commercial Bank of Namibia	SUBTOTAL:	2,007.60
Branch:	15 % V.A.T.	included in Totals
Account:	<b>TOTAL DUE:</b>	<b>2,007.60</b>

Please make all cheques payable to: WOKER FREIGHT SERVICES (PTY) LTD  
If you have any questions concerning this invoice, please call:

THANK YOU FOR YOUR BUSINESS!!



# GUIDELINES ON EXPORT TRANSPORT COSTS

A publication by  
the Directorate of  
International Trade,  
Ministry of Trade and Industry  
in association with  
Manica Group Namibia

February 2003

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## List of abbreviations

B/L	Billing of Lading
CBM	Cubic Metres
CFR	Cost and Freight
CIF	Cost Insurance and Freight
CPT	Carriage paid to
EU	European Union
FCA	Free Carrier
FCL	Full Container Load
FOB	Free on Board
GP	General Purpose
LCL	Less than Container Load
Reefers	Refrigerator Containers
THC	Total Handling Charges
ULD	Unit Load Device
USD	United States Dollar
W/M	Weight or Measurement
Ton/Tonne	1,000 kg

## Appendix iv: Sample Instructions on Product Storage

### Instructions to distributors on Product Storage

1. Chocolate products should be maintained at temperatures between 6°C and 20°C, with relative humidity between 50% and 70%.
2. Temperature fluctuations in stores should be reduced to a practical minimum. A sudden drop in temperature of 10°C can cause serious condensation.
3. Products should not be stored near hot spots, for example, steam pipes, radiators or in direct sunlight or in the hot layer beneath the ceiling.
4. Products should not be stored near strong smelling material of any description, e.g. damp wood, disinfectant, insecticide. etc.
5. All storage areas should be well ventilated, waterproof, clean, and insect and rodent free.
6. Products should not be stacked in contact with walls or roof supports or directly on the floor. Sufficient space should be provided for efficient cleaning. Racking design shall take into account hygiene factors.
7. Without racking, stack cases only to a maximum of 8 feet (2.4 metres).

## Appendix iii: Pro forma Invoice – Road and Sea Freight

### Woker Freight Services (Pty) Ltd

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166 3rd Street East  
Walvis Bay  
Namibia



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Telephone +264 64 201 2211  
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DATE: January 14, 2003

To: CLIENT X  
P.O. BOX 123  
WINDHOEK  
NAMIBIA

**COMMENT:**

Attention: XXXX

our File Ref:

Description of Goods	Vessel	Bill of Lading	Type of Sale
X 20' CONTAINER STC BOOKS	GREEN CAPE V.2142 TO HAMBURG	CPH/WVB/00097	Cash Sale (N0555)

DESCRIPTION			AMOUNT in N\$
Ocean Freight Charges	9,450.00		9,450.00
Bunker Adjustment Factor	1,216.22		1,216.22
Terminal handling fee	461.00	69.15	530.15
Base Tariff	1,846.00	276.90	2,122.90
Shipping Line Release Fee	500.00	75.00	575.00
Transport to Walvis Bay port	295.00	44.25	339.25
Export Documentation	490.00	73.50	563.50
Agency Fee	285.00	42.75	327.75
Communication Fee	135.00	20.25	155.25
Courier Documents	345.00		345.00
<b>Bank Details:</b> Commercial Bank of Namibia	<b>SUBTOTAL:</b>		15,625.02
Branch:	15 % V.A.T.		<i>included in Totals</i>
Account:	<b>TOTAL DUE:</b>		<b>15,625.02</b>

Please make all cheques payable to: WOKER FREIGHT SERVICES (PTY) LTD  
If you have any questions concerning this invoice, please call:

**THANK YOU FOR YOUR BUSINESS!!**

## Introduction

This document was prepared only as a general guideline to transport costs associated with exports. Charges are likely to regularly increase.

Initially road and rail transport costs are outlined in relation to the movement of merchandise within Namibia to either seaports or cross border posts. Subsequently indicative sea freight and airfreight costs are provided.

The costs relate to 20ft. GP (General Purpose) containers and Reefers (Refrigerator containers) associated with FCLs (Full Container Loads).

Freight rates are normally charged on the basis of weight or volume which ever is likely to yield the greatest revenue for the shipping company. When it is not possible to fill a full container with merchandise it is shipped as groupage cargo. However, groupage shipping services are less frequent than container services.

Companies that ship merchandise by airfreight are normally provided with Unit Load Devices known as ULDs, for smaller quantities groupage is used.

Pro forma invoices are included in Appendix iii & v.

Contact the Directorate of International Trade at the  
Ministry of Trade and Industry, Brendan Simbwaye Square, Goethe Street, Windhoek  
Tel: +264-61-283-7331, Fax: +264-61-253865, E-mail: tic@mti.gov.na, Website: www.grnnet.gov.na

Neither the Ministry of Trade and Industry and or the Manica Group Namibia accept any liability with respect to the information contained in this document on Guidelines on Export Transport Costs.

Please note the following:

- The cost estimates do not include any on-carriage charges at the destination port.
- The cost estimates exclude transport insurance.
- The cost estimates exclude duty and taxes.
- The cost estimates exclude storage or demurrage charges.
- The cost estimates excludes any reefer plug fees.
- The cost estimates are based on current information and are subject to change.
- The cost estimates are based on current tariff headings and are subject to customs decisions.
- All estimates are based on information available as at February 2003.

An offer is understood to be without engagement. It is based on *Standard Trading Conditions* (available on request) and is subject to normal unchanged conditions of transport as well as to rates of freight, rates of exchange and tariffs presently in force.

## Road Transport Charges

The Roads Authority has specific regulations in regard to vehicle weights, tractor and trailer units. The absolute maximum weight is 22 tons on a 20ft. and 28 tons on a 40ft. container.

A 20ft. container has a maximum cubic capacity of 33 cubic metres (cbm) and a 40ft. container has a maximum capacity of 67 cbm. However it should be noted that it is almost impossible to load to these capacity indicators and the normal capacity utilization is 28 cbm for a 20ft. and 60 cbm for a 40ft. Lightweight bulk items while not exceeding the weight restriction must be accommodated within these cbms.

The following are guideline road transport charges for a 20ft. GP container. The charges include the cost of positioning containers at the various locations and delivery to the container stacks at the port.

The main cross border posts for road transport are Angola – Oshikango, Botswana – Buitepos, and RSA Cape Town – Noordoewer, RSA Johannesburg – Ariamsvlei.

From – To	N\$	Rehoboth to Walvis Bay	11,550
Rundu to Walvis Bay	10,670	Mariental to Luderitz	30,800
Katima Mulilo to Walvis Bay	16,830	Keetmanshoop to Luderitz	33,000
Oshikango to Walvis Bay	10,890		
Oshakati to Walvis Bay	10,560		
Tsumeb to Walvis Bay	7,260		
Okahandja to Walvis Bay	4,015		
Windhoek to Walvis Bay	4,950		
Rehoboth to Walvis Bay	5,830		
Mariental to Luderitz	14,960		
Keetmanshoop to Luderitz	14,960		

The following are the guideline road transport charges for a 20ft. Reefer container

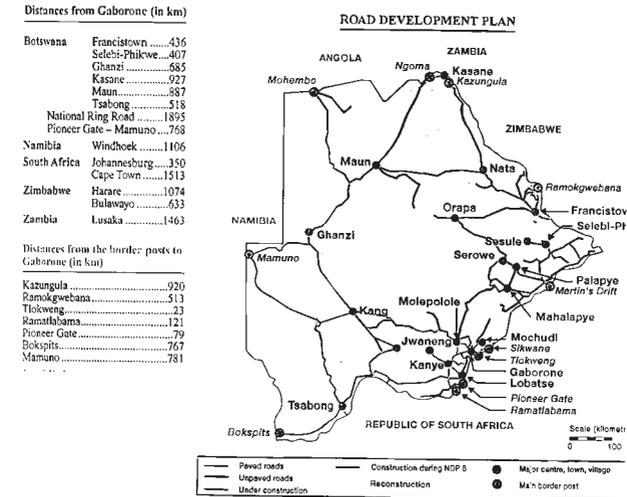
From – To	N\$	From – To	N\$ per kg
Rundu to Walvis Bay	22,880	Rundu to Walvis Bay	1.65
Katima Mulilo to Walvis Bay	29,040	Katima Mulilo to Walvis Bay	2.20
Oshikango to Walvis Bay	23,650	Oshikango to Walvis Bay	2.20
Oshakati to Walvis Bay	21,780	Tsumeb to Walvis Bay	1.10
Tsumeb to Walvis Bay	16,280	Okahandja to Walvis Bay	1.10
Okahandja to Walvis Bay	7,700	Windhoek to Walvis Bay	1.10
Windhoek to Walvis Bay	9,900	Rehoboth to Walvis Bay	1.32
		Mariental to Luderitz	1.65
		Keetmanshoop to Luderitz	1.65

See appendix i for the Botswana road network.

## Appendix i: Botswana Road Network

### ROADS DEPARTMENT

Ministry of Works, Transport & Communications  
P/Bag 0026, Gaborone, Botswana • Tel (+267) (0)313511) 313511 • Fax (+267) (0)314278) 314278



## Appendix ii: Southern Africa Railway Lines



### Fuel Surcharge

A fuel surcharge will be charged on every shipment due to the high fuel prices worldwide. The rate is subject to change and can be increased without prior notice.

*Pro forma invoice – air freight is outlined in Appendix v*

### Airline Security Fee

Airline security fee is an additional fee charged by the airline at N\$1.30 per kg

### Airway Bill Fee

An Airway Bill fee is charged by the airline for every Air Waybill issued at a cost of N\$60.55

Please note the above charges exclude Value Added Tax (VAT) at 15%.

### Airway Bill Issues

The airway bill is the most important air cargo document issued by a carrier or a carrier's authorised agent. The airway bill serves the following functions:

- Contract of Carriage: The airway bill serves as documentary evidence of a contract of carriage.
- Proof of Receipt of Goods: A copy of the airway bill is given to the shipper as evidence of the acceptance of his goods and as proof of the contract of carriage.
- Freight Bill: The airway bill is used as an invoice.
- Certificate of Insurance: The airway bill also serves as a certificate for insurance purposes where applicable.
- Customs Declaration: The airway bill is normally the basic document to be presented for customs clearance.
- Waybill: The airway bill is normally used as a guide to airline staff in handling, dispatching and delivering the consignment.
- Airway Bill Number: The following is an airway bill number 053 – 3340 –0485. The first three numbers represent the country code. To verify that the airway bill number is correct, divide the seven numbers 3340048 by seven and the remainder fraction should be the last number i.e.5

*Note:* It is advisable that actual and potential exporters should acquire a copy of Incoterms 2000 that clearly outlines sellers and buyers responsibilities when Incoterms are used as terms of trade. A copy is available at a cost of Euro 28 (approx) from:

The International Chamber of Commerce

ICC Publishing SA, 38 Cours Albert 1, 75008 Paris, France

Tel: 00-33-1-49-53-28-28, Fax: 00-33-1-42-25-36-23, E-mail: pub@iccwbo.org

## Rail Transport Charges

The maximum weight is 24 tons for both 20ft. and 40ft. containers for rail transport. Reefer containers cannot be transported with TransNamib as the rail trucks do not have reefer plug connections. Likewise the weight volume criteria apply. It should be noted that currently the rail connection only commences at Tsumeb and that TransNamib provides connecting road transport services from Tsumeb to various destinations in the North. The rates quoted below are inclusive of both road and rail transport charges where applicable, or road charges to Luderitz.

*See Appendix ii for details of the Southern Africa Railway Lines*

The following rail transport charges apply to 20ft.GP containers

From – To	N\$
Rundu to Walvis Bay	6,525
Katima Mulilo to Walvis Bay	14,703
Oshikango to Walvis Bay	6,600
Oshakati to Walvis Bay	6,600
Tsumeb to Walvis Bay	2,521
Okahandja to Walvis Bay	2,133
Windhoek to Walvis Bay	1,855
Rehoboth to Walvis Bay	3,429
Mariental to Luderitz	3,651
Keetmanshoop to Luderitz	2,616

The following rail charges apply to bulk consignments at a rate per ton/1000kg. It should be noted that the rates apply to a minimum tonnage that must be transported to obtain these favourable rates. If quantities are less than the minimum specified then higher charges will apply. The rates per ton of a 1,000 kg for rail transport are as follows:

From – To	N\$	min.
Rundu to Walvis Bay	206	36 tons
Katima to Walvis Bay	413	36 tons
Oshikango to Walvis Bay	226	36 tons

Oshakati to Walvis Bay	209	36 tons
Tsumeb to Walvis Bay	102	44 tons
Okahandja to Walvis Bay	70	44 tons
Windhoek to Walvis Bay	83	44 tons
Rehoboth to Walvis Bay	124	36 tons
Mariental to Luderitz	186	36 tons
Keetmanshoop to Luderitz	138	36 tons

The *Incoterms CPT* (Carriage Paid To) and *FCA* (Free Carrier) may be used for the transport of goods by road or rail. They are defined as follows:

*CPT* – carriage paid to – means that the seller pays the freight for the carriage of the goods to the named destination. The risk of loss of or damage to the goods, as well as any additional costs due to events occurring after the time the goods have been delivered to the carrier, is transferred from the seller to the buyer when the goods have been delivered into the custody of the carrier.

*FCA* – free carrier – means that the seller fulfils his obligation to deliver when he has handed over the goods, cleared for export, into the charge of the carrier named by the buyer at the named place or point. *Incoterms 2000 International Chamber of Commerce*

## Handling Costs at Walvis Bay Port

The container is placed in the container terminal at the port and subsequently has to be moved to the ship and loaded. The following costs arise, that are described as THC (Total Handling Charges).

<b>Per 20ft. GP container</b>	<b>N\$</b>
Transport charges to Walvis Bay port	303
Terminal handling fee	461
Equipment handover fee	440
Base Tariff (Export Wharfage)	2,031

*Transport charges* to be paid to the transporter

*Terminal handling fee* to be paid to NamPort

*Equipment handover fee* to be paid to the shipping company

*Base Tariff fee* to be paid to NamPort

<b>Per 20ft. Reefer Container</b>	<b>N\$</b>
Transport charges to Walvis Bay port	303
Terminal handling fee	677
Equipment handover fee	825
Base Tariff fee	2,031

*Transport charges* to be paid to the transporter

*Terminal handling fee* to be paid to NamPort

*Equipment handover fee* to be paid to the shipping company

*Base Tariff fee* to be paid to NamPort

## Clearing Charges

In addition to the above costs clearing charges apply as follows:

<b>Per 20ft. GP container</b>	<b>N\$</b>	
Customs documentation fee	539	per Bill of Lading
Agency fee	550	for first container
	292	thereafter per container
Communications fee	149	per Bill of Lading
Courier documents	385	per set of documents

## Air Freight Charges

Unit Load Devices (ULDs) are used extensively through the airfreight industry. However, the type of goods and weight/measurement will determine the mode of transport. Before using a ULD for shipment, the freight forwarder must check the airline schedule to ensure that ULDs can be transported on the particular route required i.e. that the freighter schedule or wide-bodied aircraft operates from the required airport and that ULDs can be shipped from origin to destination airport without the ULD being dismantled or 'broken down.'

### Cartage charges

Cartage to Windhoek International airport

Cartage and handling from Windhoek city boundary to Windhoek International airport.

	<b>N\$</b>
Minimum	89.00
Thereafter	0.90 per kg
<b>Airfreight Charges</b>	<b>N\$</b>
<b>Windhoek to Frankfurt</b>	Minimum 440.00
	Normal 33.59 per kg
	+100 kg 25.21 per kg
	+300 kg 20.19 per kg
	+500 kg 17.31 per kg

*Normal = between 0 and 100 kgs*

<b>Windhoek to London</b>	Minimum 440.00
	Normal 32.00 per kg
	+100 kg 24.01 per kg
	+300 kg 19.22 per kg
	+500 kg 16.49 per kg
<b>Windhoek to Chicago</b>	Minimum 440.00
	Normal 38.24 per kg
	+100 kg 34.55 per kg
	+300 kg 32.45 per kg
<b>Windhoek to Lagos</b>	Minimum 302.50 per kg
	Normal 29.50 per kg
	+100 kg 22.19 per kg
<b>Windhoek to Harare</b>	Minimum 440.00
	Normal 17.18 per kg
	+100 kg 12.92 per kg
	+300 kg 10.40 per kg
	+500 kg 8.51 per kg

## Shipping containers by sea freight

When exporters wish to transport their goods by container then they should give consideration initially to the following issues. Goods are normally packed in inners and outers or just in outers. For example, frozen fish is packed in an outer normally weighing 5 kg. If it is assumed that the container will carry 18 metric tons then on a weight basis 36,000 boxes could be loaded. However, because the cubic capacity of the boxes exceeds the cubic capacity of the container then the load has to be reduced. It is, therefore, advisable for the exporter to calculate the number of units that can be loaded within the tonnage and cubic capacity limitations. The only practical way to do this is prior check the situation using empty boxes vertically and horizontally against the back wall and side of the container. This is ideal when all outers are of a uniform size, and therefore exporters should strive to achieve this situation. Consideration should also be given to the stacking height to avoid crushing. If pallets are required then both the cubic capacity and weight of the pallet should be ascertained. Some buyers may request four way entry pallets as compared to the standard two-way pallets. Shipments to some countries on wooden pallets are forbidden and only plastic type pallets may be used. When an exporter has determined the number of units per container then he/she is in a much better position to quote a full container load for buyers. Before goods are shipped by sea, the exporter or his/her shipping and freight forwarding agent must:

- Find out freight rates
- Select a shipping line and or vessel
- Register cargo on a shipping note and send a shipping note to the shipping company
- Register details on customs entry forms and send to customs
- Clarify if export permit is required from the Ministry of Trade and Industry
- Arrange for adequate packing including shipping marks
- Receive call forward notice from shipping company
- Send goods to port with consignment note
- Receive Bill of Lading from shipping company
- Pay freight bill
- Send Bill of Lading to shipping company and customer and or to bank acting as an intermediary

*Pro forma invoice – road and sea freight are outlined in Appendix iii*

To ensure that the buyer stores the merchandise in an appropriate manner it is advisable to provide the buyer with storage instructions should the merchandise warrant it.

*See Appendix iv: Sample of Instructions to Distributors on Product Storage*

The above charges are payable to the Freight Forwarding company. The courier charges are only applicable if documents have to be sent to the buyer.

<b>Per 20ft. Reefer container</b>		<b>N\$</b>	
Customs documentation fee		539	per Bill of Lading
Agency fee	for first container	605	
	thereafter	330	per container
Communication fee		149	per Bill of Lading
Courier documents		385	per set of documents
<b>Per ton/1000 kgs</b>		<b>N\$</b>	
Customs documentation fee		539	per Bill of Lading
Agency fee	for first cbm	275	
	thereafter	110	per cbm
Communications fee		149	
Courier documents		385	per set of documents

## FOB (Free on Board)

Free on Board means that the seller fulfils his obligation to deliver when the goods have passed over the ship's rail at the named port of shipment. This means that the buyer has to bear all costs and risks of loss or damage to the goods from that point. The FOB term requires the seller to clear the goods for export. *Source: Incoterms International Chamber of Commerce.*

From the above data domestic transport costs have been provided plus handling costs at Walvis Bay port and clearance charges. The sum of these costs plus the price of the goods represents an FOB cost to the buyer.

## Ocean Freight Charges

The FOB charges have already been established for the transfer of the goods on board a vessel at Walvis Bay. The freight charges are now added to these costs to establish a CFR (cost and freight)

Cost and Freight means that the seller must pay the cost and freight necessary to bring the goods to the named port of destination but the risk of loss of or damage to the goods, as well as any additional costs due to events occurring after the goods have been

delivered on board the vessel is transferred from the seller to the buyer when the goods pass the ship's rail in the port of shipment. *Incoterms 2000 International Chamber of Commerce* The CFR charges relate to the FOB price plus the ocean freight charges. This includes all charges paid up to the vessel's arrival in the destination port, but no marine insurance is included and the vessel is not off-loaded. International shipping rates are normally quoted in US\$. The following are the guideline charges for ocean freight from Walvis Bay to:

Per 20ft. Container	Approx. cost	Shipping time Port to port
Luanda	US\$1,430	5 days
Cape Town	N\$3,850	4 days
Dublin	US\$1,430	30 days
Hamburg	US\$1,210	25 days
Frankfurt	US\$1,430	35 days
Rotterdam	US\$1,210	26 days
London	US\$1,650	35 days
Madrid	US\$1,375	35 days
Paris	US\$1,430	35 days
Singapore	US\$1,100	25 days
New York	US\$2,530	40 days
Philadelphia	US\$2,750	45 days
Los Angeles	US\$2,860	45 days
Jakarta	US\$1,100	35 days
Lagos	US\$1,430	25 days
Baltimore	US\$2,860	45 days

Per 20ft. Reefer	Approx. cost	Shipping time	
Luanda	US\$3,850	Los Angeles	US\$4,950
Cape Town	N\$5,500	Jakarta	US\$3,520
Dublin	US\$4180	Lagos	US\$3,960
Hamburg	US\$3,850	Baltimore	US\$4,620
Frankfurt	US\$3,960		
Rotterdam	US\$3,960		
London	US\$4,400		
Madrid	US\$3,850		
Paris	US\$4,400		
Singapore	US\$3,520		
New York	US\$4,620		
Philadelphia	US\$4,730		

The above rates relate to CFR ( Cost &Freight) terms of trade. However, some buyers may request CIF (Cost, Insurance and Freight) terms. Cost, Insurance and Freight means that the seller has the same obligations as under CFR but with the addition that he/she has to procure marine

insurance against the buyer's risk of loss of or damage to the goods during carriage. The seller contracts for insurance and pays the insurance premium. The buyer should note that under the CIF term the seller is only required to obtain insurance on minimum coverage. *Incoterms 2000 International Chamber of Commerce*

Insurance is normally paid at the rate of 3% of 110% of the commercial invoice value of the goods. However, this can vary dependent upon the type of merchandise involved.

## Groupage Cargo

Groupage cargo refers to less than a container load (LCL) and is charged on the basis of either weight or volume whichever yields the highest revenue to the transporter.

The following groupage charges apply for transport costs from Walvis Bay to Cape Town depot based on either weight or volume/measurement.

Weight Basis	N\$
Minimum rate	330
Thereafter up to 500kgs	2.20 per kg
Up to 1,500 kgs	1.65 per kg
Up to 3,000 kgs	1.54 per kg
Up to 4,500 kgs	1.43 per kg
Over 4,500 kgs	1.38 per kg

Measurement/Volume Basis	N\$
Minimum rate	1,722 per cbm
Up to 6 cmb	1,650 per cbm
Up to 9 cbm	1,430 per cbm
Up to 15 cbm	1,342 per cbm
Over 15 cbm	1,210 per cbm

Port Charges at Cape Town	N\$
Cartage to Cape Town port	143 per w/m
LCL terminal charges	143 per w/m
Export wharfage @ 0.85% of the value of goods	