

What exactly is the LINER OUT CHARGE.. Shipping Lines are quoting this for cargo to West Africa..??



Liner Out Charge

As the author of this blog, I owe a lot to some of the readers who ask questions that may sound basic, but are important and thought provoking questions that not only help others to understand various aspects of shipping, but also helps me keeps my wits sharp..

Below is one such question asked by a reader of this blog..

What exactly is the LINER OUT CHARGE.. Shipping Lines are quoting this for cargo to West Africa..??

As described briefly in my previous post

(<http://shippingandfreightresource.com/2009/01/09/answers-to-test-your-shipping-knowledge-week-012009/>), in general,



"LINER OUT means the cost of discharging the cargo at the destination port is included in the freight rate"

So although this "**Liner Out Charge (LOC)**" appears to be a new charge, on the West African trade lane, under the auspices of Asia-West Africa Trade Agreement (AWATA), the cost of discharging the cargo at the destination port has merely been separated from the Basic Freight and shown as an additional charge..

AWATA members include China Shipping Container Lines (CSCL), CMA CGM, Delmas, Gold Star Line, Maersk/Safmarine, Mediterranean Shipping Company (MSC), MOL, and Pacific International Lines (PIL)..

This was apparently done so to create a more transparent freight structure.. Depending on the shipping line however, the total freight cost to the client should not be affected as the cost is only split and shown separately..

Other variations are as below :

FIO, FILO, LIFO, FLT

(These terms are more often used in bulk/break bulk shipments, and not much for containerized shipments)

FIO : Free In/Out which when used from a liners perspective means that the client (shipper or consignee) are responsible for the loading (In) and discharging (Out) costs at the Port of Load and Port of Discharge respectively.. The lines responsibility and costs commences/ceases when the cargo passes the ships rail..

FILO : Free In/Liner Out which when used from a liners perspective means that the shipper is responsible for the loading (In) costs at the Port of Load and the Liner (carrier) is responsible for the discharging (Out) costs at the Port of Discharge..

LIFO : Liner In/Free Out which when used from a liners perspective means that the liner is responsible for the loading (In) costs at the Port of Load and the consignee is responsible for the discharging (Out) costs at the Port of Discharge..

FLT : Full Liner Terms which when used from a liners perspective means that the liner is responsible for the loading (In) and discharging (Out) costs at the Port of Load and Port of Discharge and basically the liners responsibility and costs commence/ceases at the shoreside where the cargo is made available..)

Also suggest to read my other articles about Freight Charges..

- [Who pays freight charges for a shipment](#)

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