



Shipping exchange



Current trends of digitalization in maritime logistics.

Digitization of international maritime logistics is a difficult task that can only be solved by the joint efforts of independent freight forwarders, ship owners, shippers and charterers, but in this business two key competences are equally important - logistics and IT.

Leading international digital freight marketing platforms with a strong network should have high demands for performance and ability to further scale, build integrations, provide international coverage, not overloaded with functionality, Instant rates and 24-hour support.

Digitizing logistics processes reduces the time-consuming manual operations. If one logist can process as many requests as it is physically possible, the digital platform produces hundreds of thousands of calculations per day quickly and qualitatively. The result is that fewer staff are required, with a role to develop client relations and intervene in cases of force majeure. In addition, highly qualified specialists with deep industry expertise and foreign languages in the logistics market are not cheap and their number is always limited.





Electronic maritime platforms are designed to meet the needs of all stakeholders in global or regional shipping industries - ship owners, charterers, maritime brokers, providing instant access to critical, reliable and transparent data of the maritime transport market.

These platforms are a powerful driver of the modern world, bringing comprehensive tools to improve decision making for clients around the world

Maritime freight is the most common mode of transport used by importers and exporters. In fact, 90% of the goods are transported by sea. Other international means of transport (courier, air transport, express) faster but also more expensive.

Latest information on the market situation of maritime transport, prices in real time, daily updates on offers for sea freight, mobile applications and much more, enable users to effectively and efficiently use the functionality of logistics marketing platforms in a complex maritime market environment.





How to choose the appropriate platform for maritime freight?

To Carry out the expertise and select platform with experience in the industry and experience of successful digital freight forwarding operations.

Assess the carrier's network and coverage, and their coverage area to ensure they can deliver goods to the right destinations.

Evaluate all the platform's capabilities, usability and compatibility with existing client systems.

Electronic logistics exchanges are established by both non-State trade associations to meet various commercial and marine security needs, and by the major international players in non-maritime sectors, shipping companies, government bodies.

For example, the Maritime Exchange for the Delaware River and Bay is a regional non-State information provider to ports and related businesses in the three-state region of the US, providing reports and statistics on current waterway activity, Schedules and current vessel status, customs and border clearance, manifest completion and cargo placement planning, having your own mobile Maritime On-Line application for handling vessels and cargo in the Delaware River and Bay.





By contrast, the Shanghai Shipping Exchange was established by the Chinese government to develop the shipping market and provide dynamic delivery information, including freight rate registration, freight index, cargo transactions, customs clearance, Registration and acceptance of container cargo and creation of the information platform «China Merchant Ship Network».

What are the advantages of shipping?

Maritime freight is an important link in cross-border trade, facilitating the movement of large volumes of goods between countries and has a larger capacity, less cost and restrictions, as well as low CO2 emissions compared to air transport.

What are the drawbacks of shipping?

Low speed of delivery and the likelihood of damage or destruction of sea cargo is higher than other modes of delivery.

In recent years, there have been several interesting international logistics projects with different competitive business models. For example, Freightos has bet on the global marketing standard of logistics services, Flexport has gone the way of scaling the freight forwarding business through digitalization, and Kontainers focuses on delivering technology services.





How is the freight carried?

Freight transport normally involves the following steps:

1. Planning: the shipper determines the type and quantity of goods to be transported, the point of departure and destination, as well as the desired time frame.

2. Booking: the shipper or his agent book a place on the selected mode of transport, for example, on a container ship or cargo plane.

3. *Packing*: goods are prepared for shipment, which may include palletizing, stowage or containerization.

4. Inland transport: goods are transported from the shipper's location to the port, airport or railway terminal.

5. Customs clearance: the necessary documentation is submitted and the goods are cleared for export by the relevant authorities.

6. *Main carriage:* the goods are transported by the chosen mode of transport to the country of destination.

7.Customs clearance: on arrival, the goods are cleared for import, which may include payment of duties and taxes.

8. Inland transportation: the cargo is transported from port, airport or railway terminal to final destination.

9.Delivery: the goods are delivered to the recipient, completing the process of delivering the cargo. Throughout this process, various parties such as freight forwarders, carriers, customs brokers and port authorities work together to ensure smooth and efficient movement of goods across borders.



Consider the existing services of digital platforms in the logistics sector of maritime transport and describe their capabilities, cost of services, ease of use, advantages of their use, as well as discuss the main criteria to be used when choosing a site.

Leading international digital freight marketers

Freightos

Freightos - a digital logistics platform for booking cargo in 7 languages, operating since 2011 on the global air and sea freight market, with headquarters in Barcelona, Spain.

III FREIGHTOS

Free trial. Freightos Baltic Index (FBX)/ \$119 per month.

Tools for maritime transport

• WebCargo from Freightos

Pricing, rating, booking, market research and sales solutions for freight forwarders including the leading platform for freight booking.

• Real-time tracking of shipping prices and conditions with Freightos Terminal

• Clearit - digital customs brokerage for importers and platforms in North America.

 Shipsta from Freightos - the global platform for freight procurement and bidding

Labor / Ocean 🔨 Low
East Coast and Gulf port labor union. ILA. have broken off talks with po
2023-06-29 - wsj.com
Equipment-related / Ocean 🔨 Low
Maersk Ohio experiencing mechanical issues at Port of Houston, will be
2023-06-23 - maersk.com
Market Changes / All modes A Low
Foxconn's EV component production outside of China, another sign of o
2023-06-16 - theloadstar.com
Congestion / Ocean A Low
Ningbo and Qingdao experiencing longer waits for berths, up to 2 days,
2023-06-01 - hapag-lloyd.com
Congestion / Ocean \land Medium
Singapore facing vessel bunching on labor shortage and volume surge.
2023-06-01 - hapag-lloyd.com

Market Changes / Ocean \land Medium



Platform Services available:

- Maritime container price indices (FBX)
- Pricing of more than 350,000 routes, performance indicators and key events coverage
- Contextual information about what is happening in the customer's supply chain through real-time updates and analysis of weather and port traffic, capacity trends, disruptions, cancelled flights, holidays, additional fees and much more.
- Free account and demo search and compare prices for sea containers on all 12 trade routes.
- Corporate solutions for exporters/importers: instant spot prices, unified purchasing management, freight rates, transit times, port performance etc.
- Market analysis of maritime transport.
- Toll calculator
- Pallet container calculator
- Port codes
- LCL Delivery Calculator
- Paid and Bulk Weight Calculator
- Class density calculator
- Dangerous Goods Table for Cargo Transport etc.







How to sell freight services on Freightos?



Meet the following requirements: have the necessary licenses and permits for your jurisdiction, comply with all laws and have a good financial position.
Apply to join the platform and wait for its approval.

• Register on the site via Google, Linkedin or by e-mail. Registration and search are free.

- The booking and other services are payable in US dollars (\$), pounds sterling (£) or euros (€).
- The booking includes deliveries that are sent from the factory for commercial purposes and have a commercial invoice. For international shipments, you will need the tax ID of the country of import.
- The three main options for payment on the platform: credit card, bank/ACH transfer, Freightos Credit available to qualified customers.
- 3% platform fee on all shipments.
- The decision to issue a loan within 2-3 business days from the time of application for the loan.
- Commission per pagamento/ The disbursement fee is a 3.5% surcharge on customs duties paid by credit card. The fee is not for Freightos, but covers the costs of transferring the payment to the customs authority. As the commission is only charged to credit cards, you can avoid it by making payments by bank transfer, ACA or SEPA.
- To learn more about the supplier, click on their company logo in the search results, which will open a new window on the right side of the screen with information about the forwarder, including a brief description of the company, number of shipments, and offered services, reviews.
- Delivery: who to contact and how to contact: directly to your shipping service provider, using the Freightos Messenger feature.
- How to find out the shipping cost? In the tab «Shipping cost». you can see the full breakdown of the shipping cost and download any invoices. This includes the initial estimate and any additional costs. Payment may be contested.





Annual Freightos Figures:

- Transactions: Freightos made 339.1 thousand transactions in the third quarter of 2024, which is 26% more than a year earlier.
- Growth in the number of carriers and customers: Freightos has expanded its carrier network to 55 compared to 39 in the third quarter of 2023. The number of unique shopper users on the platform also increased by 14% year-on-year, reaching approximately 19,700 at the end of the quarter.



 Gross Cost of Booking (GBV): total value of transactions processed on the

Freightos platform, or GBV, reached \$217.5 million, up 35% from last year and well above the expected range of \$198.0-\$203.5 million.

Benefits of the service:

Freightos allows to book the necessary cost and delivery time of freight transport. Simple and intuitive interface and current tariffs.

Transparency of freight and saving time on booking.

Neutrality towards suppliers in the booking and payment of international freight transport.

Web: https://www.freightos.com/





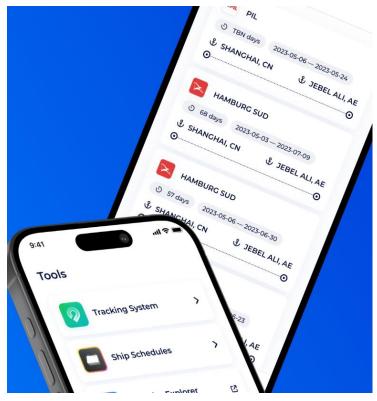
SeaRates

SeaRates is a global logistics marketplace that provides a digital platform for shipping to any location in the world with just a few simple steps.

Available in 20 languages. Own mobile app. Rates on request.

Coverage - more than 7,000 ports, 150 shipping lines, more than 12 million. routes, more than 6,900 shipping agents, 7,000 suppliers, more than 500,000 offers of sea transport, more than 70,000 visitors per day.

In addition to the maritime, SeaRates offers a wide range of logistics services, including air and land transport. The company helps to organize international delivery of cargo from 1 m3 or 50 kg to ship batches.



Tools:

All Shipping Leads - SeaRates database to simplify organized active shippers requests

- Structured quotes for logistics and trade operations
- Container tracking
- Logistics Explorer/Real-time freight calculator with freight rates
- Vessel traffic schedule

Ability to search by port, ship, carrier or route, the ability to choose the place of departure and arrival, date of departure. You can also specify other parameters for your query, such as shipping line, option to view alternative options, etc..

Load calculator for filling vehicles

- Visual module with map showing sea and land routes
 - Geo-coding API



API geo-coding with extensive autofill service provides fast and accurate data entry options for cities, seaports, airports and other locations around the world. Access to accurate maps for all global logistics points.

• Route planner

As soon as a new route is created in the route planner, the system issues a unique tracking number for the client. Using the tracking widget integrated on the site, the client will be able to track the shipment on the created route as it tracks any other shipments.

• Smart Documents

Management and automation of documents, constant addition of new document templates in Smart Documents based on user feedback.

Demurrage and storage

The cost management algorithm for the simple/storage/delay, which is implemented on the page «Simple and storage» in the tab «Directories» in the menu:

- 1. Click «Links» in our menu and select «Demerreg and storage».
- 2. Please indicate the date of unloading, departure with a full vessel and entry with an empty vessel.
- 3. Indicate storage, clearing and delay costs:
- 4. Select currency.
- 5. Please specify the service period and prices.
- 6. Click «Calculate».





• Delivery schedule

Why do you need a delivery schedule?

Perhaps the most important thing is that planned deliveries save money. At the most fundamental level, planned deliveries are cheaper than urgent on-demand deliveries. When you can plan ahead, you benefit from savings. However, scheduled deliveries save your money by eliminating the need to purchase and manage your own fleet.

Web: https://www.searates.com/

Ocean Freight Exchange

Ocean Freight Exchange - the world's leading Albased trading platform for shipowners and charterers, a private corporation registered in the US with investments from leading US venture companies that launched Uber, Netflix and LinkedIn, among others. The \$1.3 trillion U.S. fleet,



headquartered in Los Angeles, Mexico and Singapore, has over 30,000 vessels, more than 220,000 shipments. Membership fee upon request.





OFE Exchange provides a 24-hour brokerage service to help clients execute their transactions and control the flow of data using common datasets. Its forecast analysis also identifies trading opportunities and finds correlations between ship delivery, physical charter rates and FFA rates.

Currently, the OFE users are more than a hundred large trading companies and ship owners representing thousands of ships.

Tools of OFE:

- Real-time email parsing (to match with AIS and line-ups)
- Real-time satellite and terrestrial AIS
- Real-time open tonnage list
- Real-time open cargoes and orders
- Real-time Tradeflows
- Real-time bunching app
- Real-time laycan tracker
- Commercial owner, charterer, and broker contact details
- Daily bunker prices
- Reply to email functionality
- Voyage and Distance Calculator
- Freight matrices and predictive analytics
- Port DAs, congestion, and restrictions
- Customize certain features

Web: www.theofe.com







Flexport

Flexport is an American platform for the coordination of global logistics from plant to customer, delivering to any location in the world, with annual



revenues of more than \$3.3 billion. Companies of all sizes - from new brands to Fortune 500 companies - used Flexport to move goods worth around \$19 billion in 112 countries in 2021.

Available in English, German and Chinese. For air and sea transport. More than 10 thousand customers.

Approximately 2,000 shipping customers, 301,357 TEU shipped by Flexport in 2023 alone, 2,732 ports worldwide.

Solutions:

- Logistics and transportation management
- Order fulfillment services
- Trade Management

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Logistics and transportation management includes:

- Supply chain management
- Customs brokerage
- Shipping in multiple clicks
- Shipping any volume
- Consolidation for savings



- Order management
- Booking management
- Climate solutions adapted to the decarbonization goals, calculating phased emissions of transportation

The portal allows you to create an account and connect your shop window with support of more than 20 e-commerce platforms, including Shopify, Amazon and Walmart Marketplace, as well as more than 15 B2B retailers. Instant assessment and booking of both international and domestic shipments in one central location, as well as any additional services including customs clearance, cargo insurance and supply chain financing.

Advantages:

Transparent pricing and control for customers, their partners and suppliers, realtime notification of each step, optimal data structuring, storage and protection solutions, as well as low carbon fuel emission reduction and carbon offsetting planning capabilities available on the platform.

Flexport is a digital freight forwarder. He has been a prominent advocate of global cargo digitization, and his platform allows shippers to book and manage shipments. He works with a number of companies, focusing on the US.



Web: https://www.flexport.com/

Shanghai Shipping Exchange (SSE)

SSE performs three main functions, namely: the maintenance of fairness in the shipping market,



regulation of conduct in making shipping transactions and provision of information on navigation, is engaged in three main activities, namely: submission of cargo documents, Freight transport and trade.

Implemented projects: the first national «one-door» customs clearance platform, the first system of testing the customs clearance system «5 + 2», the issue of the world index of container goods CCFI, the establishment of the Chinese center for registration and reception of container goods, Creation of the information platform «Chinese Merchant Ship Network», first SCFI Shanghai spot-booking index, first electronic trading platform for delivery of derivatives on freight transport, and first contract template for bulk coastal transport, Index-linked, the first global index of punctuality of container liners and the first target index for trading futures on maritime transport - Shanghai Export Container Freight Index (SCFIS).

The Shanghai Shipping Exchange acts as an agency for receiving freight rates and accepts freight rates from all domestic and foreign line companies, as well as unsightly companies operating ordinary carriers, Scheduled services in China.

Trading freight through subsidiary company Shanghai Shipping Freight Trading Co.,

Ltd., providing spot trading platform and futures communication products, providing trade platform to save cost, Hedging and pricing for container and bulk cargo shipping companies.

SSE initiated a cargo application mechanism in China that effectively strengthens trade openness and market transparency, as well as reduces trading costs at coastal ports.



«Shanghai Shipping Index[®]» includes container index, bulk index, oil tanker freight index, maritime transport index «Belt and Track», crew wage index, liner

punctuality index etc. With 23 main categories. Indices and a total of more than 200 sub-indices.

China Shipping Network - a web-based exchange service with 55,000 daily visits, including information center, forecast of traffic schedules, freight rate, market overview, statistics, policies and rules, navigation by participants, reports on freight rates, purchase and sale of ships, leasing of vessels, business credit, etc.

The site is aimed at serving the world, providing quality services to SSE members, shipping and logistics businesses, as well as offering web supporta website for domestic and international shipping operators to create a professional platform for shipping products and services.

Tools:

- Market analysis: shipping index, market reports, salary reports, market data, corporate credit.
- Transport documentation: registration of freight rates, request of sample bills of lading.
- Trade Forum.
- Trade in ships: transaction checks, bidding, ship price index, price assessment, standard contracts.
- Agency services.
- Financial innovation, insurance, financial leasing and others

Web: https://www.sse.net.cn/

https://www.chineseshipping.com.cn/



Benefits of digital technology in maritime transport

- *Real-time traffic visibility*
- Automatic notifications and updates
- Efficiency and cost savings through consolidated shipments and optimized routes
- Digital access to transport documents
- Automatic booking and billing
- o Digital planning
- Simplified carbon reporting
- Online support
- *Route optimization*
- Technologically advanced communication for fast and effective real-time problem solving.
- Billings
- Increase of efficiency in all phases of the cargo transport and cost savings





myCEVA

myCEVA is a platform for delivering and managing transportation and global supply chain solutions, available in 6 languages. CEVA Logistics is part of the CMA CGM Group, a world leader in shipping



and logistics with revenues of 47 billion USD. 400 offices in 170 countries.

More than 500 ports, more than 600 shipping routes, 14 world locks.

myCeva provides paid access/ 15 dollars per month to real-time freight rates and charges, route booking on demand, monitoring of the cargo until the final destination, etc. additional services to meet various freight requirements.

Resources:



delivery data via the Internet.

- Diverse reference materials and tools.
- Surcharges.
 - Project Vision Tracking Delivery

Web:https://www.cevalogistics.com/

•Matrix[®] SCM - TMS is a centralized integrated supply chain management suite.

- myCEVA a personal virtual partner for cargo management, access to realtime freight rates and rates.
- Shipwire 3PL services for order optimization.
- Environmental calculator

• ONEVIEW is a full-featured application for viewing, tracking, monitoring and reporting of worldwide



Beacon

Beacon is a single platform for tracking maritime, air and road cargo.



From 160+ shipping companies, 150+ airlines and 158,000 road carriers on one platform.

Tools:

Live Boards - intelligent dashboard, coordination in the global network of carriers, suppliers, warehouses and customers:

- Request, storage and delivery of documents on order and shipment
- Confirmation and provision of the readiness dates to suppliers and freight forwarders.
- Built-in chat.
- Checklists for improved compliance.
- Tracking of cargo.
- Logistics planning
- Carbon Reporting.
- Document management.
- Tracking API
- Supply chain collaboration
- Operator performance
- Demeanor and detention
- Warehouse visibility
- Route reliability
- Case studies





Tools:

- Market analysis
- Supply Chain Learning Center
- Supply Chain Glossary
- Port traffic index
- Container time
- Free container tracker
- Free air-mail tracker
- Emissions calculator for cargo
- Calculator for Economizing on Demurrage
- Port codes

Pricing:

Free demo for the first 20 shipments.
Starter - Live tracking and collaboration. From \$199 per month.
Business - More power for your teams. From \$499 per month.
Pro - Insights and collaboration at scale. Contact us.

Web: https://www.beacon.com/

Speaking of digital solutions in logistics, we must mention **Germany**, which has won the World Bank's LPI (Logistics Efficiency Index) three times in a row. Germany is also in the TOP-3 world champions of export, logistics is the third largest sector of the economy of this country, which employs more than 3 million people. More than 100 universities and technical colleges in Germany train their logistics trainees every year. Logistics is also one of the most important areas of dual vocational education in Germany, with more than 13,500 courses being held annually. This makes Germany a leader in the development and implementation of new technologies in the logistics industry.





Shippion

Shippion is an online platform from Germany for exporters where they can compare and book their export shipments, search engine for solutions to



Sea and air freight. The platform provides a brief overview of all the information required to select a service provider.

The exporter can enter the cargo data on the portal. Then the website shows various forwarders and 3PL players who can provide this service. The exporter is provided with all prices and customer ratings for each service provider. The exporter can then select a preferred service and book it through the platform itself. Also allows tracking of deliveries.

Web: https://www.shippion.com/



ZIM

ZIM is an Israeli digital shipping company focused on innovation, with an actively managed fleet capacity model, business analytics, big data, artificial intelligence and technology partnerships.



Coverage of 120 countries, 200 branches, about 5 thousand employees.

ZIM's investment portfolio includes, among others, SHIP4WD, a digital platform for one-stop shipping; 40Seas, a fintech platform using artificial intelligence and data-based technology, to provide functionality for B2B digital payments and facilitate cross-border trade between SMEs; Hoopo, which develops advanced



tracking solutions, helping companies track and manage their logistics operations more efficiently and cost effectively, providing real-time data and analytics for inactive assets; and WAVE BL, a digital blockchain-based tool that provides instant, encrypted and authenticated transmission of electronic bills of lading.

Platform tools for freight forwarding:

- Unlimited myZIM access
- eB/L Service a Wave-based, paperless platform
- ZIMonitor cargo tracking, control and management.
- eZIM- electronic booking, delivery instructions.

Useful resources:

- Fare calculator and Simple & Delay rates
- SOLAS VGM
- Local taxes. Country requirements and rules
- Draft B/L- editing and confirmation of the bill of lading online.
- Port schedule, vessel traffic, estimated time of arrival of vessels.

Web: https://www.zim.com/





Zencargo

Zencargo is a global digital freight forwarder from the UK whose advanced platform simplifies booking, offers estimated arrival times and optimizes the cost of the delivery chain with various other solutions and tools.

Available for sea freight transport, access to extensive multimodal transport network. Comprehensive customs support.

Various pricing options, as well as fixed and floating prices for customers on request.

Additional resources:

Container analysis, real-time shipping tracking from order to delivery, news about the shipping markets, latest industry data, webinars and events, customer reviews.

Web: <u>https://www.zencargo.com/</u>





Other supply of technology logistics services

Despite the diversity of digital platforms directly providing services on the principle of logistic marketing of maritime transport, freight forwarding on the principle of «one-stop shop» in this market there are offers, working as a designer to supply technological logistics services to meet customer requirements.

Thus, Descartes Kontainers TM helps digitize the booking process and pricing for carriers and freight forwarders, providing customers with a cloud-branded marine management software solution and managing the world's largest messaging network, offering flexible data conversion capabilities.

The Shipthis platform allows freight forwarders to become digitized freight forwarders by offering software for freight forwarding, tracking shipments, customer interaction and other solutions.

German Logineer is successfully digitizing logistics companies, having special expertise in international shipping and aviation, offering strategic IT consulting, product and process consulting, implementation, system integration, Maintenance and own global support service.





Conclusion

The shipping market is a high-asset sector that requires huge financial investments to cover the costs of operations, from ships to containers and fuel. It is also a highly competitive market, largely driven by demand and supply in Asia, Europe and North America.

Whether small or large, liner shipping companies are always looking for ways to reduce their business costs while maintaining customer satisfaction.

In the traditional business of any international logistics company, 70% of the time is usually spent preparing a commercial offer for customers, with the variation of rates between different carriers reaching up to 30%.

Sea freight rates may change daily. Therefore, customers needed a service that picks the best offer, contracts with all members of the logistics chain, takes responsibility for the customer's cargo and performs the entire transport, i.e. provides a service «key».

With this, the portal Freightos has bet on a global marketing standard logistics service, service Flexport went the way of scaling the freight forwarding business through digitalization, offering carrier selection, processing and order tracking, Transforming traditional freight forwarding processes into digital ones, while Kontainers focused on delivering technology services.





Digital logistics platforms, combined with advanced technology, high-precision and relevant data, have met this requirement and made it possible to simplify global maritime freight transport by reducing time and effort previously required.

Their performance reflects not only the continued growth, but also the crucial role that digital solutions play in transforming the freight industry.

Typically, platform digitizes the international freight industry worth trillions of dollars, supported by a set of software solutions that cover pricing, quoting, booking, shipping and payment management for global businesses of all shapes and sizes.

The undisputed advantage of digital shipping exchanges is their convenience and safety, transparency of operations and reduced costs of production processes, which helps to minimize errors and increase efficiency of supply chain processes.

By using AI algorithms in the field of tracking supply chain systems status in realtime, digital tools are available to predict possible delays, infrastructure maintenance needs, Increased demand for transport services or other freight forwarding and delivery disruptions.

For supply chain organizations, the «digital transformation» is seen as both a strategic imperative for future success and a priority in their strategy to maintain their position in the competitive freight and logistics markets.





Companies will continue to invest in applications that integrate, complement or apply AI and advanced analytics tools.

More and more buyers and sellers are joining the global digital logistics platforms, their transaction volumes are growing, which is stimulating the industry to become more efficient, transparent, expanding the network of interactions and improving the digital products offered for effective collaboration.

The work processes are optimized at each stage and this accelerates the business cycle: faster decisions are made, and therefore faster delivery of goods.

Usually after a short registration the platform can be used by anyone, even directly not professionally related to logistics business.

For each specific request the online systems algorithm can combine different calculation mechanisms (per kg, ton, cube, container etc.) in different vessels, on different routes and all these data, relevant to the date of the request, are open to registered users.

When talking about the benefits of digital platforms, we must also take into account the contribution of these companies to the green economy, so the service platform of myCEVA, for example, helps customers balance costs, Speed and emissions, while the Green Ocean programme aims to reduce carbon emissions from shipping.



Freight transport does not have to be complicated!

Of course, there are countless questions related to freight, dozens of fees, documents and terms that need to be resolved on their own. This publication also encourages the acquisition of user-generated digital skills.

Our company wishes you good luck and favorable conditions for your business!

Useful information

How shipping tariffs are formed

Freight charges are the costs associated with transporting goods by various means, such as sea, air, rail or road. These tariffs may vary considerably depending on factors such as mode of transport, distance, volume, weight and size of the cargo, market conditions and seasonal variations.

When it comes to tariffs for maritime transport, there are several key components that make up the total cost:

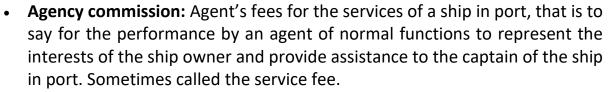
- **1. Basic freight rate:** this is the basic cost of shipping your goods from the port of departure to the port of destination.
- 2. Bunker Fuel Adjustment Factor (BAF): is a premium to account for fluctuations in fuel prices.
- 3. Exchange rate adjustment factor (CAF): this allowance compensates for fluctuations in the exchange rate.
- 4. **Terminal Processing Fees (THC):** These are the fees levied by port authorities for handling containers at ports of departure and destination.
- 5. **Surcharges:** various additional charges may apply, such as for dangerous goods, peak season or congestion in ports.





International Glossary of Terminology

- Freight market: a type of commodity market in which the role of the commodity is movement, i.e. transport services.
- **Carriers:** unique maritime carriers, including consolidated maritime cargo (LCL).
- **Consignee:** the party to whom ownership of the goods will pass after delivery at the destination.
- Freight Forwarder: Provides services for the facilitation of transport of goods: preparation of documentation, reservation of premises and equipment, warehousing, consolidation, delivery, customs clearance, banking and insurance services, as well as agency services. The freight forwarder can facilitate transportation by land, air, sea or specialize in one type of transport.
- **NVOCC** (Public carrier, not owner of the vessel): An individual or entity that arranges the carriage but does not own or operate cargo vessels.
- **Ocean Freight:** The shipping of goods by sea via shipping containers.
- **Ocean Waybill:** A document that draws up the contract for the carriage of goods by sea.
- **Gang:** A group of stevedores, usually four to five members, with a supervisor. This group is engaged in loading and unloading the vessel.
- **Charterer:** A person or organization that rents a ship for the transportation of cargo or passengers from its owner.
- **Collect Freight:** Freight payable by the consignee at the port of destination.
- **Collective Paper:** All documents (commercial invoices, bills of lading, etc.) submitted to a buyer for the purpose of receiving payment for a shipment.
- Original Bill of Lading (OBL): The original bill of lading (OBL) is a contract of carriage which is the title to the goods and confirms receipt by the carrier. When the original bill of lading is issued, two other identical original bills of lading are also printed and all three original bills of lading are issued together as one contract of carriage. The cargo issued with original bill of lading can be released in one of two ways: with original bill of lading endorsed or with telex release.
- **Charter, Contract:** contract between the shipowner and the charterer for the hire of the vessel (all or part of its premises) for carriage of the goods. In this case, the consignor undertakes to pay the established charge (freight) for the carriage and the carrier to deliver the goods to the port of destination.



- **Agent:** A person authorized (legal or natural) to perform certain actions on behalf of another person (trustee) on his behalf and in his interests.
- All Water: a term used when transport is carried out exclusively by water.
- Arrival Notice: Notification of the estimated time of arrival of the ship at a certain place (usually destination).
- **Beneficial Cargo Owner (BCO):** an importer who takes control of the cargo by using its own logistics assets instead of using an external source such as a freight forwarder or NVOCC.
- **Billing:** The operator terminal, which indicates the desired rate, calculates how much the delivery will cost and generates a freight bill.
- **Booking:** request for space and equipment on board the ship for cargo to be transported.
- Broker: An agent who works for the shipowner or charterer in chartering.
- **Customs warehouse:** a warehouse under customs control where goods for which the duty has not been paid may be held until the duty is paid.
- **Customs broker:** agent (in some countries supported by the state customs agency) who assists importers and exporters in preparing documents for customs clearance of goods.
- **Container Yard (CY):** The place where sea containers are stored before and after shipment, as well as where carriers store empty containers. For maritime transport, the CY is usually the final date by which the container must be delivered to the scheduled vessel.
- **Container:** A single rigid, sealed, reusable metal box in which the goods are shipped by ship, truck or rail. Common container sizes include 20, 40, 40-foot High Cube and 45-foot High Cube.
- **Demerège:** The shipping fee is charged if your container has not been taken from the port before the last free day. The specific charges will vary depending on the port and terminal, but they can be high, especially when combined with a daily charge for delay, usually between \$75 and \$200 per container per day.
- Devanning: logistic term for «unloading of cargo from container»
- **Cargo insurance:** the type of insurance coverage that the cargo owner acquires to protect against loss or damage of goods transported by land, air or sea, a specialized kind of insurance adapted to the risks associated with transport. Cargo insurance covers the cost of goods transported as well as

other certain expenses related to the cargo. Cargo insurance can be purchased on a per-shipment basis or as an express policy covering multiple shipments over a specified period of time. The language of the cargo insurance policy is to determine when the insurer is liable for loss or damage. The languages of the different policies vary according to the insurer and the type of goods transported, and it is important for the insured party to study the policy carefully in order to understand what is covered and what is excluded.

- **TEU (equivalent to 20 ft):** The standard unit of measurement for container capacity in the shipping industry.
- **Cabotage:** Navigation of a commercial cargo or passenger ship between seaports of the same state.
- **Carnet:** A document allowing special categories of goods to cross international borders without paying duties. This document is issued by customs.
- **Carriage Paid to Incoterm (CPT):** The seller arranges the delivery to the indicated place and includes it in the goods price. As a rule, such a place is a terminal where an ocean carrier (shipping line) can accept cargo for further transportation.
- **Delivery service:** Cargo to and from regional ports is transported to or from the central port hub for long distance shipping.
- Feeder Vessel: A short-sea shipping vessel that carries cargo between the central hub port and smaller «beam» ports.
- **FOB (Free-of-charge):** The supplier arranged for delivery by land, fulfilled port formalities and carried out loading on board the ship



Glossary of terms and definitions also used in this review

- Artificial intelligence: a complex of technological solutions that allows to simulate cognitive functions of the human (including self-learning and finding solutions without a predetermined algorithm) and obtain results for specific tasks, comparable at least, with the results of human intellectual activity.
- Unique customer users: The number of individual customers placing orders is usually calculated based on unique email logins. The number of buyers that takes into account unique buyer companies does not reflect the fact that some buyers are large multinational organizations and others are small or medium enterprises.
- GBV: The total cost of transactions on a platform, which is the cash value of freight and related services between buyers and sellers, plus the corresponding fees charged to buyers and sellers and through-payments such as duties. Usually, GBV is converted into US dollars at the time of each transaction. This metric may be similar to what others call the gross value of goods (GMV) or gross volume of services (GSV), and reflects the scale of the digital platform and the possibilities for generating revenue from it.

There are two ways to calculate the gross transaction cost (GTV).

The first way is to sum all transactions processed through the company's platform

- GMV: total value of goods sold through the platform, excluding transactionrelated additional costs, shows volume of goods sold, giving an idea of demand for products, used to measure sales efficiency and product popularity.
- **AOV:** The average cost of an order is a key indicator for understanding customer behaviour in e-commerce, retail and online payment processing. It is the average amount spent on a transaction and is inextricably linked to the gross transaction value (GTV), which provides a macro level view of total sales, while AOV offers micro level information about individual customer transactions.
- **ARPU:** Average income per user, giving a broader view of the income received from each user or client over a given period. This comparison can be crucial in forming integrated business strategies.



- **Transactions:** Number of bookings for freight services and related services placed by the Buyers on the platform. Transaction sellers include sea carriers as well as other freight service providers such as road transport companies, freight forwarders, general sales agents.
- Marketing Platform: Online platform for the provision of products and services, information broker in the marketing of goods and services. In essence, marketrijs brings together sellers and buyers. In each product category, there are many suppliers who compete with each other for range and price.
- **Cloud services:** distributed data processing technologies where computer resources and capabilities are provided to the user as an Internet service.
- **Platform:** broadly defined, a communication and transaction environment where participants benefit from interacting with each other.
- **Platform:** the process of changing the architecture/organization of markets for goods and services under the influence of the spread of modular digital platforms and the application of platform technologies that allow connecting people to a single information space. The devices and systems along the value chain, as well as the associated business model transformation.

• Digital platform: is:

1. Model of activity (including business activities) of stakeholders on a common platform for operation in digital markets;

2. Platform supporting complex of automated processes and model consumption of digital products (services) a significant number of consumers;

3. Information system, which has become one of the leading solutions in its technological niche (transactional, integration, etc.).

• Digital product (service):

1. Product (service) produced and/or provided in the digital space;

One of the properties of a product (service) arising from the implementation of digital processes with the image of a product (service);
 Valuable information or access to an electronic service for which the buyers agree to pay money.

• User Digital Skills/Digital user skill: ability to enable individual users to correctly and fully apply digital technologies in daily practice.

