



Ship Type: Dry Cargo Trade Area: Chile

## **Bulletin 205 - 08/01 - Procedures for Releasing Cargo - Chile**

The procedures for releasing cargo in Chile differ considerably from those which are internationally accepted elsewhere. The following are some of the key differences:

- The Carrier must discharge all cargo into the custody of the port operator, who is acting on behalf of the Customs, and is not able to demand surrender or even sight of the original Bills of Lading before doing so.
- The Port Authorities will issue a document acknowledging receipt of such cargo, thus ending the Carrier's liability.
- Movement of cargo from a port into the free zone requires the production of a form authorising users to electronically inform the Customs of the transfer request. The consignee must later provide the agent with a hard copy of this form together with the Bill of Lading, a commercial invoice and in some cases evidence of cargo insurance.
- A separate document is required for containers to be admitted temporarily into Chile free of any duty and relates solely to the container itself, not the cargo within it. The container operator can only issue this form on production to him of the original Bill of Lading although it is not usual for the agent to retain any copy. It is accepted that the agent is acting as a container operator in his own right and not performing any function on behalf of the Carrier even if the Carrier is that agent's principal for the issuance of the Bill of Lading itself.
- If an original Bill of Lading is unavailable, a copy may be certified by an endorsing stamp stating that it is a true copy of the original. There is a clear distinction between the process of certifying a true copy and endorsing the Bill of Lading, which is still required if "to order" Bills are to be consigned to the legitimate party. It is this practice of certifying original copies which has led to numerous claims against ship owners in respect of cargo being released without production of original Bills of Lading. It is likely that in the majority of such instances, the agents, forwarders and consignees have acted in good faith and simply been deceived in respect of the origin of the documents presented to them.
- Different arrangements sometimes apply in Iquique because it is an authorised free zone, the licencees of which are able to clear their own cargo. They do not require a recognised Customs agent but they must retain the original documents for five years. The Iquique Port Authority acts on behalf of the local Customs and will retain copies of all documents produced to them in relation to the release of cargo.

Source of information: Mike Newstead, Signum Services