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TIIVISTELMÄ

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Opinnäytetyö toteutettiin vientikoordinaattorin työskentelyyn liittyvänä päiväkirjatyönä. Opinnäytetyön ensimmäisessä osassa selvitetään päivittäisen vientitoiminnan tärkeimmät tehtävät ja vastuut. Kymmenen viikon tarkkailu keskittyi kolmeen eri aiheeseen, jotka valittiin teoreettisemmän näkökulman saamiseksi.

Opinnäytetyön painopiste oli heijastaa päivittäiset päätyötehtävät viikoittaisiin aiheisiin kohti tehokkaampaa suunnittelua ja kriittistä ajattelua. Tavoitteena oli pohtia erilaisia vientiin liittyviä näkökohtia teoreettisen tutkimustiedon avulla.

ABSTRACT

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The thesis was implemented as a diary thesis related to working as an Export Coordinator. The first section of the thesis explains the main duties and responsibilities of the daily exporting operation. The ten weeks of observation focused on three different topics, which were chosen to gain a more theoretical point of view.

The focus of the thesis was to reflect the daily main work duties into the weekly topics towards more efficient planning and a critical way of thinking. The aim was to contemplate different aspects related to exporting by using theoretical research information.

Keywords	Export Coordinator, Freight Management, Risk Management
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1 INTRODUCTION

1.1 Thesis background

I have worked for Company X as an Export Coordinator since May 2022. Before starting in the position, I did not have previous work experience in exporting or logistics in general. During my studies, I had a relevant Supply Chain Management course, which gave me the overall knowledge to start working in the field. Company X had just moved to the brand new logistic premises with new External Warehouse Management (EWM) SAP system.

During my time working for the position my main goal has been gaining knowledge and self-development with the daily tasks and developing the working processes we have in Company X. Due to the new system in place for the whole Export team, we have been developing the working processes together as a team and support by the Development Team. Company X has outsourced warehouse management, in which we cooperate closely regarding warehousing, packaging, and movement of items inbound and outbound.

1.2 Purpose of the Thesis

The goal of the thesis is to reflect on the daily working tasks and responsibilities of an Export Coordinator. To create a better understanding of the obligations of working as an Export Coordinator, the first section of the thesis will explain the main work duties and responsibilities of an Export Coordinator. The ten weeks period of observation aims to contemplate variations of different duties aspects concerning exporting by reflecting on the theoretical research info to develop the flow of export operation.

Exporting contains a variable factors affecting the actual person working in export coordination. An example of this is the understanding the supply chain management process, which supports the exporting at the end of the chain. Cooperation

with external and internal partners is important, to be able to continue the ongoing supply chain until the actual exporting of the items. The aim is to have a deeper knowledge of the factors supported by theoretical sources in daily situations.

The ten weeks observation weeks have been divided into three topics closely related to the daily operation of working as an export coordinator. The aim is to reflect the exporting responsibilities to the cost vs urgency, the risk management concerning exporting, and the impact of the force majeure situation that has occurred.

2 WORK DUTIES AS AN EXPORT COORDINATOR

Exporting contains a variable factors affecting the actual person working in export coordination. An example of understanding the supply chain management process, which supports the exporting at the end of the chain. Cooperation with external and internal partners creates the ongoing supply chain until the actual exporting of the goods.

2.1 Incoterms

Incoterms are an important element of international trade and export goods from one country to another. They define the responsibilities between sellers and buyers when transporting the goods. The responsibility for transportation, insurance, and the needed processes for customs clearance are determined by the Incoterm used. The stated incoterm affects on decision making for the mode of transport and the export coordinating duties and processes. (Know your incoterms, 2020)

Daily I have to make sure that the incoterm informed for the delivery matches with the content, size, and urgency of the shipment. In many situations, we need to re-check the change of the term with the company's warranty or product coordinator departments, who are the contact person for the client. There are 11 incoterms provided by the International Chamber of Commerce (ICC), which have been separated into two different groups according to the mode of transportation. Brief definition below of the main incoterms I use daily.

FCA - Free Carrier: Buyer will arrange collection from our warehouse location. When the shipment is ready for collection, we inform the client of packing details and collection location. Before the collection, we create an

export document for the client and we do the custom clearance for them from Finland.

CIP - Carriage and Insurance Paid to: Used with the airfreight shipments. The seller is responsible for insurance and arranging transport until destination import customs. The client is responsible for the import declaration and transport in the destination country.

DAP - Deliver at Place: I arrange transportation to the client's shipment address by taking care of the export declaration. The cost of transport and insurance is paid by the seller. Mainly used when shipped by courier or truck. The client is responsible for import declaration in the destination country. This is the most incoterm I have used.

DDP - Delivered Duty Paid: In some rare cases, Incoterm has been agreed as DDP with the client. In this case, we take care of the whole shipment's insurance, custom declarations, and transportation to the client's shipment address.

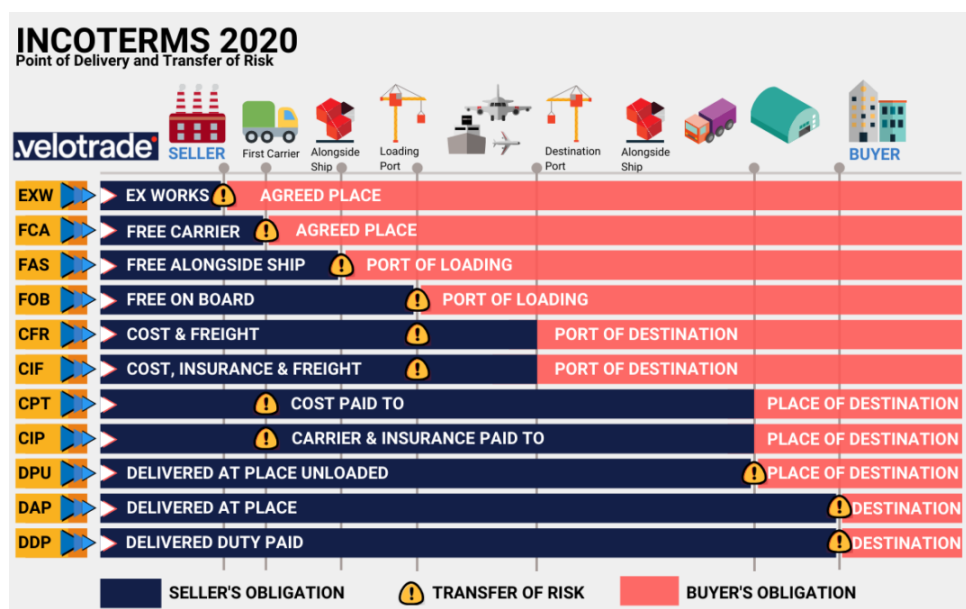


Figure 1 Incoterm Chart (What are InCoTerms?, 2023)

2.2 Mode of Transportation

As mentioned in the last subject, the used Incoterm can play a role when deciding the mode of transport for the delivery. The most used Incoterms as DAP, DDP, and CIP can be used in all modes of transport as truck, air freight, and sea freight. We often use courier service, especially for small shipments or when we need express service for urgent deliveries. Most used couriers such as TNT Express (Thomas Nation Wide Transport), DHL (Dalsey Hillblom Lynn), and UPS (United Parcel Services) use a mix of transportation, depending on the service selected for the shipment. Courier economy service allocates the transport by land, which is cheaper, but more time-consuming.

While planning the mode of transport there are influencing factors that need to be considered. The main factors are weight, measurements, and most importantly urgency of the shipment. When exporting goods straight to a client, there is usually a requested estimated time of arrival (ETA), which needs to be met if possible. Urgent deliveries are prioritized by using courier express and/or additional air freight forwarder services.

In my position, the responsibility is to ship spare parts to ships and power plants worldwide. As ships travel around the world, the ETA is even more accurate as the goods need to be delivered to the harbour agent in good time, before the ship departs again. In a case, when the requested estimated time of arrival can not be met, there will be a need to check the ship's sailing schedule to be able to have the correct shipping address for the parts. For power plant goods delivery ETA matters, when there is a high need for it, especially when a part has suddenly broken down.

Close cooperation together with the suppliers is a one of the key elements for efficient exporting. Cooperation with several freight forwarders creates the possibility for competition regarding price and schedule offers. When

it comes to air freight, we cooperate with several forwarders. In this way, we can create competition between different forwarding agents especially towards freight cost and the delivery time they can provide for us. Nearly all of our air freight shipments are with Incoterm CIP, which includes domestic transport to the airport in Finland and the flight to the destination airport. The client is responsible for the local customs clearance and the end transport.

Air freight transportation is arranged for the warranty power plant spare part deliveries. The forwarding agent takes care of the flow of transport, Finland's local customs clearance, and keeping the end customer informed about the shipment movements. As an export coordinator, the responsibility is to follow up and monitor the process of the shipments and support both parties if anything occurs.

Company X's centralized distribution centre is located in the Netherlands, which indicates faster and cost-efficient transportation to the end client due to its geographical location. Weekly consolidated truck transport is arranged from the Finland warehousing to the distribution centre. The company's production planning team is working closely with the team located in the Netherlands to make sure all needed goods will be delivered there to their warehousing premises. Consolidated transport is more cost efficient as we can send out 25,000 kilos of goods at once, compared to sending the goods individually to all different end clients. From the centralized distribution centre, the goods will be delivered all around the world with different modes of transport.

2.3 Export Documentation

Exporting goods contains certain needed documents, which are provided between seller and buyer. As Grafers (2006 p. 121) mentioned, foreign trade documents are "cross-border transactions", which refer to the documentation to be used for customs purposes, when shipping goods. The need for different documents differs in the rules and regulations of the destination country. Referring to exporting goods from Finland from a documentation point of view, the goods will be shipped out from the European Economic Union country. As the European Union has a free trading agreement it makes shipping goods to EU countries faster and easier. For example, invoice documents do not need to be provided for customs excluding shipments for ship supplies.

Even if the export documentation differs from the destination country, the Commercial Invoice is a document that needs to be created for the customs. The invoice document needs to have all the information agreed about selling the goods and containing the agreed incoterm and mode of transportation. As an export coordinator, the responsibility is to check that all information is correct in the document. The crucial information needed are the terms of payment, shipping address, incoterm, mode of transport, the value of the goods, and goods HS code. The Harmonized System classification coding is six digits for the goods. HS coding is internationally used in trade and makes it easier to have the correct information and the uses of the goods. (Appendix 1.)

While creating invoice documents for the goods, there are again different rules and regulations depending on the client and the destination country that the goods will be shipped to. For instance, some destinations require the freight cost and insurance to be clarified separately in the invoice document. In international trade, invoice documents' language is English, but Columbia is an example of a destination where they require the documents to be written in Spanish.

Some destination countries require a Certification of Origin (COO) document to be presented, which will approve the origin of the goods. A few countries do not allow certain goods or some manufacturing countries goods at all to the destination. The COO document is created by the Finnish Chambers of Commerce electronic export document service. Shipping information is provided for them as well as a copy of the invoice document. After the request of the COO document, the department provides it for the goods. (Appendix 2.)

When transportation has been confirmed the freight forwarder will provide a bill of lading (BL) document, which will include all needed information about the transportation. Air freight forwarders will provide an Air Way Bill (AWB), which is created by the airline cargo. The shipment can be tracked online with the provided waybill number. For road transport example truck transportation, a road consignment (CMR) document will be provided, which will include the same info as BL and is trackable online as well.

2.4 Transportation booking

As an Export Coordinator, the duties and responsibilities are related to the documentation and also the ordering of the transportation for the goods. As mentioned earlier in the "Mode of Transportation" subchapter, the most common way of operating is to use courier services. Booking a transport depends on the incoterm, requested ETA, and the magnitude of the shipment. For courier shipments, we make the booking straight on the supplier webpage entering the shipment info and the needed invoice document. With air freight deliveries we have several different suppliers, and we ask offer for the shipment from them by mail. Transport booking decision is always between the cost and urgency, as we want to keep the freight cost as low as possible, but still be able to provide the goods for a client on time.

2.5 Export declaration

The forwarding agencies will execute the export declaration on our behalf. As we provide the invoice document for the goods, they will declare it to the Finnish customs. The customs declaration must be informed as soon as possible, but before the goods leave Finland. The declaration requires to inform the mode of transport and the exit point for the goods. With the export declaration process, the local customs can monitor the exporting types and get statistical information on Finland's foreign trade. Export declaration is obligated for all goods shipped outside of the EU area, and ship supply shipments. For commercially valued goods that are delivered to the vessel, the export declaration will be made, and the exit point will be marked with the location of the port. The goods need to be exported from Union Customs within 150 days after the export declaration has been made.

2.6 SAP software - System Applications and Production

Data management, documentation, and delivery flow are automated and worked with the Systems Application and Products software system (SAP). The system supports the Export Coordinator's work for outbound shipments, export documentation, and information required for the daily working process. Company x uses an Extended Warehouse Management system (EWM) in the daily operation of production data, material planning, inventory, and warehousing management. The system supports the material flow data and logs the flow of progress. EWM system concentrates is useful in warehouse inbound and outbound material flow.

For the export coordinator the working tasks are in practice housed the SAP system including monitoring the packed outbound deliveries, using delivery outputs, creating export documentation for the shipments, and observing the shipment flow until the final invoicing of the shipments. SAP has a variety of possibilities that are utilized in multiple ways for the operation. Even though it is an important tool for daily tasks, still none of the systems are flawless and need humans to check the information is correct.

3 FREIGHT MANAGEMENT: COST VS URGENCY

One of the daily tasks in export coordinating is to compare the costs for the freight of the goods and allocate it towards the agreed incoterms between the freight parties. Evaluating the need for goods from the client in the urgency to receive the goods is of key importance. Estimated time of arrival (ETA), has a key role in the daily operations.

During the next four weeks, with daily example delivery cases I will do research comparing the case urgency against the cost of a shipment. As urgent deliveries are a daily operation for export coordination, there will be any freight cost-related prices that are estimated and do not include the end bill from the freight forwarder. All freight forwards keep the right to changes and extra costs if it is required for the shipment.

Daily deliveries are mainly warranty spare parts to vessels and power plants globally. Warranty parts are requested to be shipped out on the same day as packed in our warehouse. Some of the shipments are more urgent than others. Shipments to the vessels have more detailed requests for the ETA as they sail from port to port. Some vessels are cruising ships, which mainly go from the same port to port, where shipping goods is simple as the shipping address remains the same almost every time. On the other hand, containers and fishing vessels can sail to different ports and therefore the sailing time on the ocean can be several months long. For these, the requested ETA is crucial to meet, as it is set according to the vessel's sailing schedule.

If the parts are urgent due to the operational failure of the vessel the information will be provided for the delivery. All vessels have operationally planned warranty spare parts on board, which are expected to be needed. The spare parts have a lifetime cycle, for example of a month or two before they need to be maintained/serviced. Every operational vessel has a schedule to keep the needed stock

on board for the parts needed, but failures can occur, and then new parts are requested urgently.

3.1 Observation weeks 1-2

For the Export Coordinator, all information about the deliveries is obtained from the SAP. In daily operations we follow the workflow inbox, with task type "packed deliveries". In this inbox, our team will see all packed shipments in our warehouse, which are ready to be shipped out. As an Export Coordinator, the work starts from the moment the goods are ready and packed. The information in the inbox will show the delivery number, incoterm, shipment destination, and classification of a priority. The main four classifications are S1-power off, S2-Express delivery, S3-Standard delivery, and S6-Customer requested ETA. The shipment will be planned and organized according to the classification status.

Information about top urgent deliveries is communicated by email to all related departments. We can be ready to pre-plan and organize the transportation even before the parts are packed physically. This allows us to check and compare different modes of transportation, and different freight forwarders' costs and ETA offers in advance. This kind of delivery is marked in the system as S1-power off, which means it will be needed as soon as possible. For top urgent deliveries, it is more important which ETA the freight forwarder can offer than the freight cost. In these situations, the cost of missing the ETA is higher than the cost of freight.

Related to the S1 urgent classification delivery, there was a part failure in a vessel located sailing towards Harbour Grace, Canada. This is located on Newfoundland Island, which is in northeastern North America. Already from the map the remote location can be seen and this creates an understanding the limitation of air freight options to the island. Therefore, the fastest air freight option is needed for the shipment.

The process for the shipment was to request urgent freight offers from the supplier forwarders. As the total weight was 320 kg, the slots for the air freights were limited. That is one of the causes, why offers were requested from the different freight forwarders as they have different quantities of slots on the air cargo and different pricing offers. The first offer was with a transit time of six days with the cost of CIP cost of 1849 euros plus a DAP charge of 800 euros. This comes to a total cost of 2649 euros. With the S1 shipments there is always a set closing time when the freight forwarders can send the offer. The closing time for freight forwarders was set at 1 pm, so there was time to organize documentation and pick up the shipment.

For this shipment, there were offers from other freight forwarders, but they could not offer the same ETA as another one. As mentioned earlier, for S1 it is more cost-effective to deliver it on the requested ETA with extra cost than to have it delayed and create more operational costs for the client. A vessel that does not function properly can create the situation of large extra costs.

With this warranty case, the incoterm was agreed with the recipient to be DAP, for which the local agent there is less work and responsibility as our company organized the transport to the port. Freight forwarders are in contact with the local agent according to the shipment scheduling and the need for the import declaration in the United States.

3.2 Observation weeks 3-4

To operate cost-effectively, and to meet the requirements of the client receiving the goods, we need to think about cooperation between the different departments and related parties such as the purchasing department, delivery coordinators, supply chain management team, warehouse staff, and me as an export coordinator.

The key is the flow of communication between these different departments and parties. The purchasing team will create purchase orders in the system, which will flow into the SAP as a task for the delivery coordinator creating outbound delivery for the ordered goods. The warehouse management will process the outbound delivery created from their workflow queue for picking and packing. In this state, the warehouse can immediately see if the delivery has been classified as S1 urgency to be able to prioritize the picking and packing.

In many cases the time lapse can be several months between the time when purchase order and outbound delivery are created. The parts were not urgently needed a few months ago, but as time has passed, the parts have become more urgent. In these cases, the flow of communication is handled by email between the parties as there is now marked urgency or needed ETA for the delivery. Communication with the warehouse staff is crucial because the system will not prioritize the parts needed.

In this week's case, I was monitoring the created purchases and outbound delivery, which was not in the first place clarified as an urgently needed. It became urgent as the ETA for the vessel in South Africa's Cape Town port was required to be met. In this case, if we had missed the needed ETA the shipping address would have been needed to be changed to the next port of the vessel.

This was not classified as an S1 shipment because of the urgency and cost to be used for the transportation, but it was more beneficial to be able to deliver it to the requested port in Cape Town due to the long sailing schedule for the vessel. The next port on the schedule for the vessel was Luanda, Angola, but only after over a month. If the spare parts were needed between that time, the vessel operation could be at risk.

	Type Of Products	Cost	Speed	Security	Volume
Highway	All	Low	High	Medium	Low
Rail	Commodity for heavy & large loads	Medium	Medium	High	High
Water	Commodity for heavy & large loads	Low	Low	High	Very High
Air	Urgent, perishable goods or of high value	High	Very High	Very High	Low

Figure 2. Difference Mode of Transportation. (Publication. Key Transport Considerations for Integrated Logistics, 2020 March 3)

From the above Figure 2, different modes of transportation can be categorized by the type of products, cost, speed, security, and volume. Highway, also stated as Road, allows all kinds of products to be transported including special deliveries of dangerous goods. Shipping goods by road is quite slow but also cost-efficient. If the goods are not stated as urgent road transport, which is the most common mode of transport especially in Europe, the rail is seen as standard with the cost and speed for the mode of transport. In Company X, we do not use this mode of transportation due to the limited cargo services from the government-owned railway company VR-Group. Finland's railways are used for passenger services. If VR could offer options for larger scale of rail cargo, there might be opportunities to get fast and cost-efficient connections from Vaasa to Helsinki-Vantaa airport.

Shipments that are heavy or in larger quantities are most likely to be sent by water due to low costs for transport. Most of the service project goods are sent by vessel in containers with a total volume of 50 wooden boxes and a total weight of more

than 10 000Kg. Water transport is not for any urgent deliveries for example shipping time from Finland to the USA is around 40-50 days. Sea freight has different loading options depending on whether the goods need a full container or only part of the container. Goods will be delivered to the harbor to be contained and loaded to the vessel.

Often shipments have specific needed ETA and/or are classified as highly urgent. Therefore, the most used mode of transport is air. Shipping goods by air is the most expensive option for transportation, but it is also in my experience a reliable and the fastest option. The cost of air freight is high due that it includes for example maintenance operation, fuel, and high standard of security requirements. Even though the advantage of shipping by air is the speed, there is limited capacity for air cargo.

Our cooperation freight forwarders have different flight company connections, where they search for a possible slot for our shipment. The bigger and heavier the shipment is, the harder it is to find an available slot. As an example of this week's shipment, I had an urgent delivery to the Faroe Islands. Due to its remote location, an island in the North Atlantic Ocean, the flight options were limited.

The biggest challenge to finding fast flight options was the shipment's size. I requested flight road options for the 320Kg package, and all freight forwarders stated that they were unable to find connections to the Island. The only option was to re-pack the items into two separate boxes to have pieces weighing 150 kg per box. For smaller and lighter shipments there were more flight roading options and the shipment was on time for the client at the destination.

4 RISK MANAGEMENT IN EXPORTING

There is always a risk when exporting goods worldwide as there are different factors and moving parts in the transportation chain. Many factors need to be taken into consideration to be able to avoid a negative outcome in different aspects. By using the theoretical risk assessments and analysis, the risk factors could proactively be ready to process with or even avoided completely. Key tools are also favourable planning and clear communication between the freight parties. Evaluating the possible risk is something that is done daily in exporting even without thinking further about it. The next observation weeks will be taking a deeper look into the possible risks and how to proactively avoid them.

4.1 Observation Weeks 5-7

In exporting the first risk thought is shipment delay, as we daily work towards the ETA requested from the client. Figure 3 below shows the flow of Minimizing Shipping and Transportation Risks. Part one is choosing the right mode of transportation. The attempt is to avoid the risk as much as possible by evaluating the different freight options for the goods and the transit time offered. Cooperation with multiple freight forwarders gives the option to carefully choose the best option for the current shipment.

While we use small shipments courier services, for example DHL and TNT, for small consignments, we still check from the system what kind of transit time they can offer. The transit time depends mainly on the destination country and the size of the shipment. Both DHL and TNT offer express and economy services. Express is always the fastest option they can offer. We compare the offers these couriers can offer, and from previous experience, we tend to add one to two days extra for the ETA date they offer. In this way, there is less risk of the shipment being delayed, due to we prepare for the possibility of a few days delay.

Factors for the comparison are also the previous experience of the service from the courier company. For example, in some countries, TNT does not have as good connections as DHL might have. On the other hand, some remote destination areas are better carried to the site with TNT services. This kind of information and knowledge I have noticed during my years of working. As following up with the shipments, it can be noticed when there is a delay and what the reason is for the delay.

Minimizing Shipping and Transportation Risks

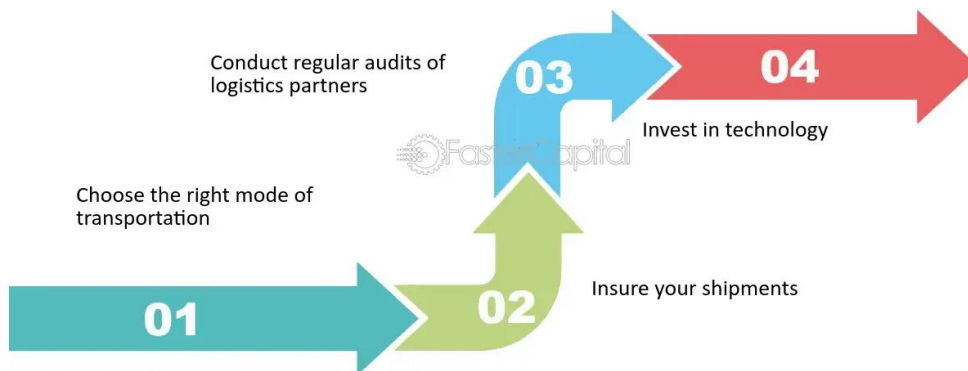


Figure 3. Minimizing Shipping and Transportation Risk (Export Risk Management: Mitigating Challenges in International Trade, 2024 March 3)

Company X ensures that all the needed insurance is in place for all business fields. This is important comes when shipping goods as there can be any kind of damage or loss during transportation. Insuring the shipment does not only refer to having insurance for them but also the preparation of the goods to be transported. Companies' quality departments check the condition of the goods before they are moved to the packing state. The packing department ensures that the item is packed correctly and secured from any movement in transport.

There have been situations when customers have received a damaged item and they have reported it to me. I have a picture of the damaged item, and I have been able to see if the item it been packed well enough and secured. In this case, the item contained glass, and it had been only packed in a carton box without any extra stuffing to secure it from damage. The damage was reported to the warehouse management to make sure they advised the packing staff to pay attention in the future. I sent a new item to the client to replace the broken one.

There is a reason, why as an export coordinator following up on shipments is important. By tracking the shipment in the system, any deviation can be noticed. Loss of a shipment has happened rarely, but it is still a risk. As an example, I had a shipment on the way to Greece, while tracking the client informed me that they had not received the shipment. An information request was sent to the freight forwarder regarding this, but they were unable to locate the shipment.

As there was no info on the movements for that shipment, I sent a new item to the customer. Approximately four months later, the lost shipment was found on a vessel in Japan. Our paperwork was still attached to the box, so they contacted us and we got the item back to Finland. Even after the investigation of what could have happened, we have not found the answer to this. The attached documents helped to identify the possible original owner of the goods.

For an exporter, there are some options to be considered to mitigate these transportation risks. As mentioned, cargo insurance is one of these options to secure the goods on the way. Our cooperation freight forwarder has the insurance included already if the damage or loss happens due to their operations. Incoterms are important in transportation as they terminate the responsibilities between the seller and buyer.

There are many factors that can go wrong and delay the shipment. From my experience most often the cause for the delay is incorrect export documentation or

delay due to waiting for customs clearance. During these weeks I focused on double-checking the shipment documentation and making sure all information was correct. As we get the invoice document for the customs purposes straight from the SAP system, there might be always incorrect info or missing information.

There are many factors, that can go wrong and delay the shipment. From my experience most often the cause for the delay is incorrect export documentation or delay due to waiting for customs clearance. During these weeks I focused on double-checking the shipment documentation and ensuring all information was correct. As we get the invoice document for the custom purpose straight from the SAP system, there might be incorrect info or missing information.

The information for the invoice document comes automatically behind the purchase order and the material data entered into the system. In the invoice, there was a need to double-check that the customer and it showed that shipping info were correct and the business information. By focusing on the information in the invoice document, some materials did not have the HS code for the item. All materials must have an HS code for the customer to be able to identify the item, and item use, and know the correct taxation. For this particular material, the HS information seemed to be missing from the system material data. In previous situations, items that had been exported and stopped in customs due to the HS code were missing from the documents. In this case, the courier exporting team contacted me requesting the code. Therefore, the shipment was delayed from the original ETA given.

5 THE IMPACT OF FORCE MAJEURE ON EXPORTING

Exporting and transporting of goods in this changing world situation can quickly take a turn if a force majeure situation happens. These situations are events that cannot be controlled between the related parties in the circumstances or are called "acts of God". The reason for this could be societal or governmental actions, infrastructure, or environmental failures. These kinds of situations are not recognized from a legal point of view in international trade countries. Therefore, freight forwarders' export contracts include the statement "non-liable" in the following example situations: natural catastrophes such as earthquakes, fires, floods, etc., wars, and governmental strikes.

5.1 Observation Weeks 8-9

During my work time as an Export Coordinator, there has been a force majeure that has happened and has had an impact on our daily operations. The year 2022, when I started in this position, was the same year Russia attacked Ukraine. The EU has placed sanctions on Russia, which influence the international trade from Finland. Almost all Finnish businesses left Russia and did not want to support the war in any way. Exporting goods from Finland to Russia and Central Asia has declined rapidly to 68.9% over the last two years. Export value was 3.9 billion euros in 2021 when in 2022 it dropped down to 2.5 billion euros, making it to a 37.2% decrease. (Helsinki Times, 2024)

Due to the sanctions on Russia, the companies need to find alternative options to operate their daily business. Company X had daily business operations in Russia, but after the war, the business operation was decided to shut down. From an exporting point of view, we do not use any suppliers from Russia, and all transportations need to be organized outside of Russia and the war zone areas including Ukraine. This has meant longer shipping times to the Asian countries and the need to reroute the shipments. Now that the Ukrainian war had started two years ago,

and as an exporter, we have learned the new routines and the actions that have been needed.

During this observation week, we got information from the import department of the company related to the current sanctions and regulations in the EU. The implementation is regarding importing goods or materials that have Russian origin. Even though we are mainly exporting goods, our manager wanted us to follow the exported goods country of origin. The sanctions are related to the Combined Nomenclature (CN) codes iron categories starting 72 and 72. CN codes are extended EU custom tariffs with eight digits in total. A complete list of codes that are affected by the sanctions was shared with us, so that we are able to double-check the HS codes also for the export goods.

Another force majeure situation the whole world has faced is the Red Sea crisis, which affected the Suez Canal vessel marine traffic. The Suez Canal is a human-created waterway connecting the Mediterranean and the Red Sea. The canal provides a shorter waterway for the vessel between Europe and Asia. In October 2023 Houthi movement supported by Iran attacked Israel. Since then, the Houthis have carried out aerial attacks and seized vessels in the area of the Suez Canal. Due to these events, the maritime route for merchant ships is dangerous and uncertain. The marine traffic through the canal has decreased by almost 64% due to the situation.

Many of the cargo vessels have rerouted to the Cape of Good Hope, which goes from the southern point of Africa. This also means that vessels need to go around the whole of Africa's continent, which will increase the transit time and cost for the cargo shipment. The cost of container shipping has dramatically increased, which has been clearly seen from the exporting point of view. Our service project goods are mainly shipped to China by waterway in containers. During the past months, there has been a delay in the shipments, and the transit time has been at least two weeks longer than before.

On the other hand, even if the transit time is longer, it is more secure to send goods rerouted around Africa than to take the chance of vessel being stopped or attacked by the Houthis. Losing the high value of goods would be a bigger financial loss for the business. At the beginning of 2024, we were also informed by the company side that insurance is not covering any goods delivered through to this area. We make sure with our freight forwarders, that the vessel takes re-roading around Africa to avoid any complications during transit.

5.2 Observation Week 10

At the beginning of 2024, Finland faced many political strikes due to the Finnish government planning to change the employee benefits. Several Finnish Trade Unions decided to have strikes at the same time to fight against the changes. This had an effect on industrial sectors including factories and warehousing premises.

During February 2024, our warehouse and manufacturing were on strike for three days. In our operation, it meant, that there were no activities in the logistics centre except for the office staff. During the three days, there were no inbound or outbound goods, and new deliveries were not packed. During the strike days, our team focused on the already-packed deliveries and documentation. Strikes had an impact on the transport operations and capacity for air and sea cargo.

The strikes continued from March 2024 to Finland's harbors. Stevedores were on strike for a total of three weeks, which affected all cargo handling at the ports. Any loading or unloading of containers in ports was not possible, which delayed all our sea freight shipments. Sea freight shipments were only possible to send by finding alternative routes for the shipments.

In the first place, we tried to find out the possibility of transporting goods by land for example Germany or Belgium and being loaded from there to the vessels. Due to the scope and length of the strike, most of our project shipments needed to be stored in the warehouse until the strike was over. Alternative routes got soon

quickly fully booked, and due to the increasing demand of capacity also the air freight shipments were delayed.

For the most urgent shipment's mode of transport was changed to either courier or air freight options. Our cooperation couriers reassured us that their daily operation would be as smooth as possible, but some delays or extra charges could occur. While requesting freight offers during the strike period, some of the freight forwards informed adding a strike fee to the offer.

An example case is having a shipment weighing 400 kilos shipping with air freight to the USA. The informed strike fee was estimated at 0,15 EUR per shipment weight. The extra fee created an additional cost for the shipment of 60 EUR. In this case, the shipment was not urgent, so it could wait to be sent after the strike was over, to avoid any additional cost for the shipment.

Another extra fee was charged to fully loaded truck deliveries, for example of the weekly consolidated shipments to the main distribution centre centralized in the Netherlands. Normally the truck shipment goes from the harbour and loose trailers are loaded onto the ship. As stevedores were on strike, any loose trailers were not applied to loaded or unloaded at the harbours. All truck shipments required the use of an entire combination of vehicles and a driver, which again increased the transportation cost significantly. Due to the exceptional situation, other transport companies also started using more passenger ships, for example from Turku and Helsinki harbours, which had an impact on the capacity and delay problems.

During the strikes, export planning was even more crucial than before. Double checking the urgency of the shipment was vital, as we did not want the items to get stuck in the ports as risk of loss of it. All non-urgent shipments were kept on hold until the strike was over and smoother transport operation was available. By changing the mode of transport, the urgent shipments were possible to deliver

with the additional extra fee. During the strike period, it was even more crucial to follow up and track shipments to ensure the best flow of transportation possible.

6 CONCLUSION AND PROCESS IMPROVEMENTS

During these ten weeks of observations, I contemplated variations of different duties aspects concerning exporting by reflecting on the theoretical research info to develop the flow of export operation. Even though the main work duties as an export coordinator are routine tasks for me, there are still new situations especially related to the main topics of the observation weeks: Freight management, Risk management, and Force Majeure situations.

During the observation weeks, I monitored my shipments more closely and became more analytical of the outcome for the continues process flow. Hence, it made me plan and operate more crucially, what is very important for the handled shipments. Referring to the point of view comparing the cost and urgency for each shipment, there need to be considered, is the urgency is related to an S1 delivery or not. To be able to manage the cost of exporting the a mode of transportation to be used needs to be considered, the used incoterm must be selected, and the urgency of the shipment needs to be considered. Company X will save in freight costs with good communication and the supplier contract with the freight forwarders.

Most of the shipped materials are warranty parts for vessels and power plants all over the world. Warranty elements are part of the customer service provided for the end client. If the material is urgently needed from the end customer's point of view due to machinery failure, the ETA for the shipment is more important than the cost of the freight. Vessel or power plant operational delay can become more costly than the cost of an urgent shipment.

As I have experience in this position for almost two years, I have the beneficial knowledge to deal with daily tasks efficiently. On the other hand, I have also had negative experiences cooperating with some of the suppliers and shipping goods to the destinations, when all did not go as planned. Some of the situations I have

needed to focus on my own previous experience from a critical point of view. Although the previous experience was negative, it does not mean that it will be like that every time.

Monitoring the risks that might occur and being aware of them will support the export planning and the end process for the shipments. Any loss or damage to the shipment means a negative impact. Therefore, it is important to understand and be aware of the risks that might occur during the process of exporting goods. Structural risk management increases awareness of the possible situations that might arise during the daily operations.

From the Force Majeure point of view, we live in a hectic world situation, where we need to find alternative ways of working. In a long-term situation, like now in Ukraine, we adapt to it and find a new norm way for daily operations. The strikes in Finland had more of a short effect at that moment, but in the long run, escalated to the extra costs of transportation and longer delays as well.

During the strike weeks, the most important point was the immediate and good communication between the parties when referring to our department, project teams, and the freight forward supplier. Knowing all the needed information and the striking effect on the exporting allowed us to replan the shipment to avoid any unnecessary situations. As the Force Majeure is a situation that cannot be fixed or avoided, the importance is to prioritize the most urgent shipments and actions to be taken.

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APPENDIX 1.**COMPANY
LOGO****Invoice****Company Name****Invoice address****Customer****Shipping address****Notify**

Contact Info for the shipping party.

	Page	1 / 3
Invoice no.	XXXXXX	
Date	XXXX-XX-XX	
Customer number	XXXXXX	
Due date	XXXX-XX-XX	
Terms of payment		
Order number	XXXXXX	
Installation		
Name of Powerplant/Vessel		
IMO no.	Vessel IMO	
Your contact person		
Your reference		
Your order date	XXXX-XX-XX	
End customer reference		
VAT number		
Our contact person	Phone	
Delivery number	XXXXXXXX	
Delivery date		
UVN no.	Business ID	
Mode of delivery		
Terms of delivery	xxx Incoterms 2020	
Forwarding Agent		

Continued on page 2

Company info
Company address

VAT Reg. no.: F10000000
Business ID no.: xxxxxx-x
Registered office:

Bank:
Bank code:
Bank account no.:
IBAN:
SWIFT:

Invoice

Company Name

UVN no.
Invoice no.
Date
Order number

Page 2 / 3
X XXXXXXX-X
XXXXXX
XXXX-XX-XX
XXXXXXX

Item	Part no. Product no. Origin	Description Product type EU HS Code	Qty	Unit	Price/unit	VAT/TAX %	Total
			Net weight				
000100							

Goods total		xx
Total excl. VAT/TAX	0,00%	xx
VAT/TAX	0,00%	xxx
Total invoice amount	EUR	xx

Packing details:

Shipp. Unit: Packing: Dimension: Volume: Gross wgt.: Net wgt.:


Shipping marks:

Company info
Company address

VAT Reg. no.: F10000000
Business ID no.: xxxxxx-x
Registered office:

Bank:
Bank code:
Bank account no.:
IBAN:
SWIFT:

APPENDIX 2.

1 Afzender / Consigneur / Expéditeur / Remittente	Nr.  S102976203	ORIGINEEL/ ORIGINAL
2 Geadresseerde / Consigné / Destinataire / Destinatarie	EUROPESE UNIE EUROPEAN UNION UNION EUROPÉENNE UNIÓN EUROPEA <hr/> CERTIFICAAT VAN OORSPRONG CERTIFICATE OF ORIGIN CERTIFICAT D'ORIGINE CERTIFICADO DE ORIGEN	
4 Gegevens in verband met het vervoer (facultatief) / Transport details (optional) / Informations relatives au transport (mention facultative) / Expedición	3 Land van oorsprong / Country of origin / Pays d'origine / País de origen	
5 Opmerkingen / Remarks / Remarques / Observaciones	7 Hoeveelheid / Quantity / Quantité / Cantidad	
6 Volgnummer, merken, nummers, zental en aard van de colli; omschrijving van de goederen / Description of goods / Descripción de mercancías / Definición de las mercancías	8 ONGETEKENDE AUTORITEIT VERKLAART DAT DE HIERBOVEN VERMELDE GOEDEREN VAN OORSPRONG ZIJN UIT HET IN VAK 3 GENGEMDE LAND THE UNDERSIGNED AUTHORITY CERTIFIES THAT THE GOODS DESCRIBED ABOVE ORIGINATE IN THE COUNTRY SHOWN IN BOX 3 L'AUTORITÉ SOUSSIGNÉE CERTIFIE QUE LES MARCHANDISES DÉSIGNÉES CI-DESSUS SONT ORIGINAIRES DU PAYS FIGURANT DANS LA CASE No. 3 LA AUTORIDAD INFRASCRITA CERTIFICA QUE LAS MERCANCIAS DESIGNADAS SON ORIGINARIAS DEL PAIS INDICADO EN LA CASILLA No. 3 Plaats en datum van afgifte; aanduiding, handtekening en stempel van de bevoegde autoriteit Place and date of issue; name, signature and stamp of competent authority Lieu et date de délivrance; désignation, signature et cachet de l'autorité compétente Lugar y fecha de expedición; designación, firma y sello de la autoridad competente	

APPENDIX 3.

EUROPEAN COMMUNITY - EXP-SAD/SEC				A OFFICE OF DISPATCH/EXPORT		
1 Copy for the country of dispatch/export	2 Consignor/Exporter		No		1 DECLARATION	
	3 Forms		4 Loading lists		Other SCI (S32)	
	5 Items		6 Total packages		7 Reference numbers	
	8 Consignee		No		Seal Number (S28)	
	14 Declarant/Representative		No		Transport charges method of payment code (S28)	
					15 C. disp./exp. Code	
					17 Country destin. Code	
					Countries of routing codes (S13)	
	18 Identity and nationality of means of transport at departure		19 Ctr.		20 Delivery terms	
	21 Identity and nationality of active means of transport crossing the border		22 Currency and total amount invoiced		23 Exchange rate	
25 Mode of transport at the border		26 Inland mode of transport		24 Nature of transaction		
1 Copy for the country of destination	29 Office of exit		30 Location of goods		31 Packages and description of goods	
	32 Item		No		33 Commodity Code	
	34 Country origin Code		35 Gross mass (kg)		36 P R O C E D U R E	
	37 P R O C E D U R E		38 Net mass (kg)		40 Summary declaration/previous document	
	41 Supplementary units		Seal Number (S28)		A.I. Code	
	44 Additional information/Documents produced/Certificates and authorizations		46 Statistical value		48 Deferred payment	
	47 Calculation of taxes		49 Identification of warehouse		B ACCOUNTING DETAILS	
	Type		Tax base		Rate	
	Amount		MP		Total:	
	50 Principal		No		Signature:	
represented by		Place and date:		Stamp:		
CONTROL BY OFFICE OF EXIT (K)		Date of arrival:		Examination of seals:		
Remarks:		Stamp:		54 Place and date:		
CONTROL BY OFFICE OF DISPATCH/EXPORT (E)		Result:		Seals affixed: Number:		
identity:		Time limit (date):		Signature:		
				Signature and name of declarant/representative:		