



# TRADE LOGISTICS

*YOUR KEY TO INTERNATIONAL TRADE*

Want to start or grow your import/export business?

Learn how from industry experts.

View our [training schedule](#)



## GUIDE TO Commercial Invoices

The commercial invoice is a demand by the seller to the buyer for payment in accordance with goods provided as specified in the sales contract. The commercial invoice is a serious document to any official officer, as it is sufficient proof that the buyer and seller did agree to the price charged for the said goods or service invoiced.

A pro-forma invoice is a statement provided by the seller for goods to be provided by seller. The proforma invoice may be used as a quote or be requested by the buyer in order to obtain an import permit, raise finance or simply check the details that would appear on the commercial invoice.

## Information on the International Commercial Invoice:

Whatever the form of export invoice required it needs to contain the below information:

- 1) Seller and buyer (who may not always be the same as the exporter and importer).
- 2) Goods description, quantity, origin and value.
- 3) Trade terms ([Incoterms](#))
- 4) Terms and methods of payment
- 5) Ancillary costs (e.g. freight and insurance)
- 6) Shipment details (points of departure and destination).
- 7) [Packing Specification](#). The number and kind of packages, individual contents, sizes, weights, marks and numbers.

## Types of Commercial Export Invoices:

The exporter is faced with producing a variety of different invoices depending on import customs requirements. Because the export invoice is of such importance to the overseas Customs authorities, it is they who insist on a particular format. The export invoice falls into five distinct types.

- 1) Standard commercial invoice.
- 2) Commercial invoice with a declaration.
- 3) Commercial invoice requiring third party verification.
- 4) Consular invoice.
- 5) Specific Customs invoice.

### **1) The standard Commercial invoice:**

The simplest and most common situation is one where the importing country has no special requirements. The exporter uses the company's standard commercial invoice, just as for a domestic sale, and include the above mentioned information. The invoice may also be zero-rated for vat. Use this form of invoice unless other requirements have been submitted to you by the importer or clearing agent.

### **2) Commercial invoice with declaration:**

It is quite common for countries to require a declaration to be typed on the invoice. The wording differs from country to country, and is often in the language of the importing country, but invariably declares the origin of the goods and that the prices are correct export prices. Customs are concerned that the origin and prices are legitimate. If the seller makes a false declaration to help the buyer escape responsibilities and obligations, then the seller is party to fraud.

A typical declaration would be..... “ We hereby guarantee that this is a true and correct invoice and that the goods referred to are of the origin, manufacture and production of South Africa”.

### **3) Certified invoices:**

The above declarations sometimes require a third party to validate it and the content of the invoice. The most common required third party would be the Chamber of Commerce. They will stamp the documents with their own certification stamp. What they certify in practice is that the signatory of the invoice is one authorized by the company to make such declarations on behalf of the company. Exporting companies lodge the signatures of approved signatories with the Chamber for this purpose.

In some cases, there is a requirement for invoices to be certified by the commercial section of the embassy of the importing country, in the country of export. The procedure may be that the exporter arranges certification at the Chamber of Commerce and then presents the documents to the appropriate embassy. Due to the association of the Chamber and the embassies, the chamber to the embassy may forward the documents.

### **4) Consular invoices:**

Some countries require their own, unique, consular invoice form to be completed and returned to the Consulate for legalization. The format of such invoices varies enormously and they are often in the language of the country of import. It is possible that the consular fees could be quite high, sometimes even a percentage of the invoice value. It is perfectly acceptable to show consular fees as a separate item on the pro-forma invoice quotation.

### 5) Specific Customs invoice:

These invoice forms are particularly related to ex- Commonwealth countries however it is not that common any more. The exporter must complete the appropriate invoice form for the country of destination, which are available from specialist printers.

On the next page is an example of a standard commercial invoice. There are also commercial invoice templates that you can work off in the [member's area](#).

## Example of a typical Commercial Invoice:

<b>COMMERCIAL INVOICE</b>				
<b>Exporter</b>		Invoice No. and Date		
		Exporter's Reference		
		Buyer's Reference		
<b>Buyer</b>				
<b>Notify Party</b>		Country of Origin		
		Country of Final Destination		
		Terms of Delivery and Payment		
Vessel & Voyage No.	Port of Loading			
Port of Discharge	Place of Delivery by On-carrier			
Marks, Nos. and Container No.: No. and Kind of Packages: Description of Goods		Quantity	@	Amount
			<b>Total</b>	
		Name of Authorised Signatory (BLOCK LETTERS)		
		Place and Date of Issue		
		Signature		



**Need further assistance or advice?**

Ask us or join our [Training Courses](#)

## Contact Us

**Email:** info@tradelogistics.co.za  
**Phone:** 0861 0 TRADE (87233)  
**Int'l Calls:** +27 (0)21 850 0967  
**Fax:** 086 679 3216  
**Office:** Unit 4, First Floor, Trident Park II,  
Niblick Way, Somerset West

 **TRADE LOGISTICS**  
*YOUR KEY TO INTERNATIONAL TRADE*

All rights reserved. This document may be distributed in full in its current format. HOWEVER, No part of this publication may be altered, or extracted AND reproduced, distributed, or transmitted in any form or by any means without the prior written permission of Trade Logistics, except in the case of brief quotations giving reference to Trade Logistics.

**DISCLAIMER:** The information in this document serves as a guide only and DOES NOT constitute advice of any sort. Trade Logistics will not be held liable for the use or misuse of this information. You must contact a professional advisor for any legal or accounting advice on the contents of this document. No liability or responsibility whatsoever is accepted. By using this information you agree to these terms and conditions.