

INTERNSHIP REPORT ON



KÜHNE+NAGEL



**“Sea Freight Forwarding Business- In Depth Study of Kuehne+Nagel
Bangladesh Ltd”**

Prepared For:

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Letter of Transmittal:

August 1, 2018

To

Mr. Kamal Hossain

Senior Lecturer, BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

Subject: “Sea Freight Forwarding Business- In Depth Study of Kuehne+Nagel Bangladesh Ltd”

Dear Sir,

With due respect, it is an honor to submit the internship report of “**Sea Freight Forwarding Business- In Depth Study of Kuehne+Nagel Bangladesh Ltd**” I have completed my internship from well-known transport and logistic company Kuehne Nagel.

My main motive was to prepare this term paper according to your instruction and guideline for this specific course. I made sincere efforts to learn freight forwarding operation, procedures of import export business and operation management practices of Kuehn Nagel Bangladesh Ltd. I believe that I have been able to explain the operation procedure and my experience.

Hence, I am submitting my internship report, with the expectation that you will appreciate my approaches which are instructed by you. For encouraging me to work on this topic I am grateful to you. I am requesting you to accept my report and oblige thereby.

Sincerely yours,

Azmal Bashir Shihab

ID: 15104207

Acknowledgement

With expressing my deep gratitude to my honorable Intern Supervisor Kamal Hossain, Senior Lecturer, BRAC Business School, BRAC University for his stimulating inspiration. Without his proper guidance, keen interest, valuable instructions, given facilities and advices the internship report could not take the shape as it is now.

After that, I convey my thanks and my best regards to the honorable Managing Director of the 'Kuehne+Nagel Bangladesh Ltd at Dhaka office for giving me the opportunity to work in practical as internee in this well-known multinational freight forwarding company. Besides, I am thankful to Fazlur Rahman Rahim, Head of Sea Freight Department as he gave me the chance to work in his department. I want to show my gratefulness to Alak Chandra Sharkar, Senior Executive, Sea Freight Department for his extraordinary support and efforts to teach me the sea freight operation activities. My thanks to all the other executives and colleagues of the department for their cooperation and help to complete my internship.

Finally, I will be glad to mention my heartfelt thanks to the institution for which I have got the opportunity of this internship, BRAC University for making the way of my completion of under graduation.

Sincerely,

Md. Azmal Bashir Shihab

Executive Summary

Kuehne+Nagel Bangladesh Ltd is one of the leading logistic companies in the world. The service of the Swiss company is forwarding the cargo of customers. The main objective of the company is to serve to the customers and survive in the global freight forwarding world. There are seven departments of the company at Dhaka office. They are Human Resource, Sea, Air, Sales, Accounts, QSHE and IT department. I would like to discuss the operation process of Sea Freight department in this report.

In Bangladesh the operation of Sea Freight department is larger than the operation of Air Freight. In Sea Freight the most significant activity is forwarding containerized cargo; serve to customers with international quality freight forwarding. The sea freight mainly shifts products for export purpose from Bangladesh to the Europe, North America and north East Asian countries. In the case of import the company serves the clients to bring products in Bangladesh from other Asian countries, Europe, Middle East and North East countries.

Mainly the export products are readymade garments, handicrafts etc. On the other hand, machineries, car, fabrics, chemicals and etc. are the significant products in their import section. The sea freight plays an important role in K+N service.

The Sea Freight export operation activities are based on a system called 'Computer Integrated External Logistics (CIEL)', and import section activities are done by 'SA Log' system. The IT department maintains the systems of K+N. Because one department's personal system depends on the regional headquarter in Hong Kong and international headquarter at Hamburg in Germany. The K+N use for sea freight and air freight department, (ACON) is use for accounts department and KN (VLOG) for sales department. The above particular software is specially implemented only for K+N of all the branches of the world. But now a day's (SA Log) for sea and air import, (ACON New) for accounts department, (CoreLOG) for sales department.

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Organizational Overview

Historical Background & Current Situation

Kuehne+Nagel Ltd. was the starting name of this multinational freight forwarding company. Now it has been changed to Kuehne+Nagel Bangladesh Ltd, in short which is K+N. At Bremen, Germany, in 1890, K+N was founded by **Mr. August Kuehne** and **Mr. Friedrich Nagel**. Now, the headquarter of this company is at Schindellegi in Switzerland. At present the key people of the company are **Mr. Klaus-Michael Kuehne (Honorary Chairman)**, **George Wolle (Chairman)** and **Detlef Trefzger** (Chief Executive Officer). According to the company's Annual Report 2017, it has more than 1,336 offices in 109 countries, with around 75,876 employees. In 2010, Kuehne + Nagel was the leading global freight forwarder, accounting for nearly 15% of the world's air and sea freight business by revenue.

Kuehne+Nagel Bangladesh Ltd started their journey in Bangladesh with sea freight and air freight service from 1997. About 140 employees are working at the company's four branches in this country. The CEO of the Kuehne+Nagel Bangladesh Ltd is the National Manager (NM) of the operation in this country. Currently, Mr. Tarun Patwary is playing this role in Bangladesh.

As on July 28, 2018, the share price of this company was 155.75 CHF, which is equivalent to about 156.59 USD. Depending on this data the market capitalization of this company is 18.45 Billion USD.

Mission Statement:

The global logistics network is the company's strongest asset. Dedication, integration and innovation are at the heart of company's business philosophy, focus on their customer's need they provide integrated logistics solutions of outstanding quality and operational excellence and they believe they are extension of your business

Objective of the Company

K+N follow these objectives strongly-

- Forwarding sufficient volume of cargo to make a profit through the arrangement of transport and handling.

- Achieving a balanced flow of cargo which should make it possible to avoid empty return journeys by planning job well.
- Achieving a high level of customer service and maintain this level and exist level also able to forecast about new customer who are penetrating to the market.
- Increasing volume of business and increase profits not only home but also abroad.
- Establishing a network of equipment and communications so that the movement of cargo vehicles can be controlled and documentation prepared exchanged through electronic system.

Goal:

- Continuously optimizing process, data and service quality, across the entire organization.
- Reducing risks to employees' safety and health to an absolute minimum.
- Protecting the environment and nature, ensuring sustainability for future generations.
- Providing port-to-port CO2 emissions visibility at ocean carrier level by implementing a transparent emissions calculation methodology.
- Developing professional skills and leadership abilities, contingent on talent, personal goals and the company's requirements.

Introduction**Rational:**

As a Student of BRAC Business School, BRAC University, doing internship is mandatory to complete anyone's under graduation. This is the reason behind looking for an internship. Now, the question can be asked that why chose to do my intern in this company. Actually, I was just looking for any reputed organization for the internship as I can learn something new and get the essence of big corporates' operation as well as developing and preparing myself for the future competitive market. Though my major was in Finance but after getting the opportunity to do my internship in KUEHNE+NAGEL BANGLADESH LTD, I consulted with my honorable teacher Mr. Riyashad Ahmed, BRAC Business School, BRAC University. He inspired me to grab the opportunity to learn the international export import business functions from this company. I found a good logic. That is as I am a student of business sector and our industries are being more globalized so I need to know about international business. I will be able to do my further study in

finance sector, but before that it will be a great opportunity for me to learn export import functions from this company. So, lastly I decided to join here and these are the reasons behind it.

To explain the importance of the report I want to mention that in this report I have intended to express the experience that I have achieved from this internship as well as I explained the process of freight forwarding operation through sea. I believe after reading the operation procedure reader will get a clear view on sea freight forwarding operation, necessary documents on export and import business and can know the terms which are frequently being used in this sector. Besides, the new students will get the idea about challenges and advantages of doing internship in this place.

Background:

I worked in the export operation wing of Sea-Freight Department in Kuehne+Nagel Bangladesh Ltd After discussion about my experience me and my honorable supervisor have decided to write on the experience I have gained about sea freight operation. We have selected the title “Sea-Freight Forwarding Business- In Depth Study of Kuehne+Nagel Ltd”. When I shared my experience and opinions my supervisor instructed me about the way of writing and provided appropriate guideline on this.

Objectives:

Initially have taken these following objectives to be achieved with this report-

- Describing the full proceedings of shipment through sea-freight forwarding.
- Finding out the challenges I have faced throughout the internship.
- Depicting the problems I have found in the operation chain.
- Giving some recommendations based on my perception and ideas I have gathered from my colleagues.

Review of Related Literature

When ranking the world's leading logistics and freight forwarding company is concerned Kuehne+Nagel comes into mind. Kuehne+Nagel have succeeded into almost every services it provides by the year 2017. K+N provides a wide range of services including sea-freight forwarding, overland and logistic issues. According to the website of the company, the figures mentioned here demonstrate the standings of the company in the world ranking.

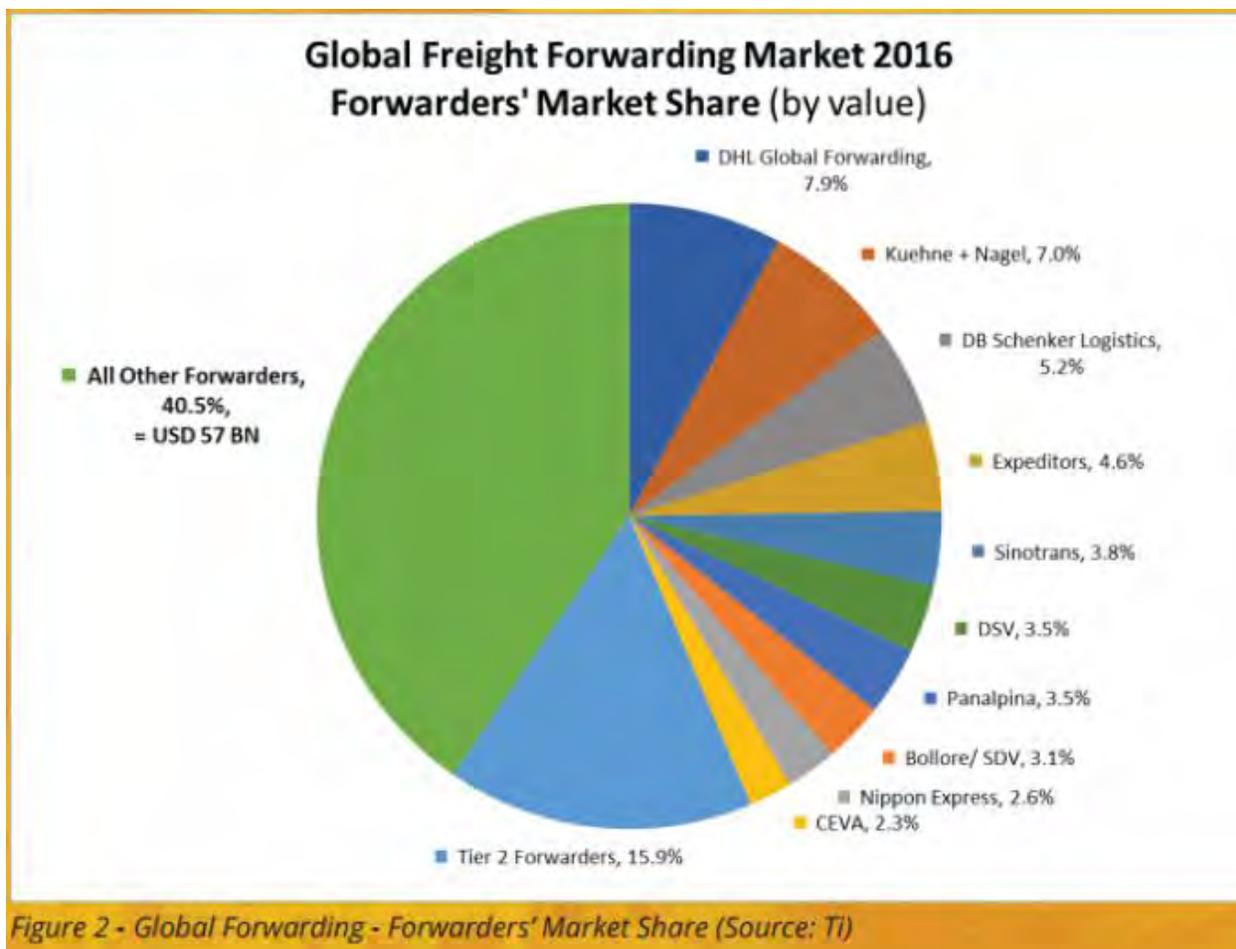
- Ranked number 1 in global sea freight forwarding
- Year-on-year double-digit growth in managed freight
- Strong partnership with a number of established ocean carriers

2016 PERFORMANCE	
CHF million	
TURNOVER	7,981
NET TURNOVER	5,814
GROSS PROFIT	1,416
EBITDA	465
EBIT	445
TEU '000	4,053
NUMBER OF OPERATING STAFF	9,154

Source: (Hossain, 2017)

When it comes to sea freight forwarding, Kuehne+Nagel is world leader as it manages transport of over 3.8 million TEUs. It has confirmed its leading position in this field by increasing freight volume by 6.8 per cent since last year. As the rate volatility is substantial and the US dollar rate was not up to the mark in first sixth months, EBIT was slightly below the previous year's figure. However, the conversion rate remained at a high level. (Hossain, 2017)

Recent reports show that Kuehne + Nagel have 4.4 Million TEU in 2017, 11932 TEU per day, they have got around 9543 sea freight specialist and they have been ranked number one world in freight forwarding business. (Kuhene + Nagal Anual report 2017, 2017)



Source: (Lennane, 2017)

Noticeable growth has been observed by World Bank in different industries of Bangladesh. World Bank's international trade department report depicts that logistics performance index (LPI) of Bangladesh in 2010 accelerated to 2.74 from 2.45 back in 2007. Bangladesh witnessed significant improvement in LPI rank list as it has climbed up to 79 in 2010 amongst all countries, from 87th in 2007. Though a shows that Bangladesh has been ranked 108th out of 160 countries but a new World Bank report depicts that Bangladesh is making progress day by day. Bangladesh is always contributing in the international trade volume despite being a small country. In 2010, Bangladesh's export volume was reported to be \$16.20 billion (Bangladesh export promotion bureau), while its imports are \$19.76 billion (CIA). From the late seventies, Freight Forwarding and logistics business is increasing day-by-day with the boom of export sectors including the export of readymade garments to USA and European markets. (Jahangir, 2014)

In Bangladesh minister of commerce Tofail Ahmed made the announcement at his office in the capital on Sunday that the export target has been set by the government is around \$41 billion. The target of growing is about 7.87% on apparel goods for FY2017-2018. The expected return on investment is \$37.50 billion from manufacturing sector which also includes RMG sector where \$3.50 billion is expected to come from service and computer service sectors. (Ovi, 2017)

In Bangladesh Forwarders are facing difficulties for shipping products to Europe, because of the cutting capacity of new Security measures and delays continue to plague Chittagong port by air cargo carriers. (Whiteman, 2017)

In recently concluded financial year 2017-18, country's export earnings was estimated \$36.66 billion and it was grown by 5.8 per cent from the previous fiscal year. However, export earnings in the FY 18 is \$84 million was indeed lower than the government's target \$37.5 billion which was set earlier. According to the gathered data, earnings from RMG sector in the FY18 grew by 8.7 per cent to \$30.6 billion from \$28.15 billion in the FY17 (newagebd, 2018).

Activities Undertaken

Work Related Activities

As I have had the opportunity to work with Kuehne+Nagel Bangladesh Ltd. in my internship, I was given the task to carry out the whole process of Sea Freight export operation. Based on my experience gathered on internship, here would like to depict the aspects related to my work.

The Sea Freight export is basically executed by several kinds of documentation and operation procedures. In this aspect, specific steps and procedures, which enable to operate and continue the freight forwarding service like Sea freight of Kuehne+Nagel Ltd., are required for this documentation in terms of Bangladesh and all over the world.

(a) Export Documentation and Operation System

The specific works are adopted in the export documentation procedures and they are given below:

Step One

In terms of export shipment, the sales department of local and foreign office communicate with the shipper (the person or company who are responsible for sending the goods) for local office and consignee (the person or company who receives the goods) for the overseas office. When they reach in an agreement with the prospective shipper. Finally, a contract with precise terms and conditions of the shipment is established under a selling rate to the shipper or consignee.

Selling rate is the rate in which our sales department sale our service to forward the cargo from one to another destination in home and worldwide.

Step Two

The shipper sends the commercial invoice, list of packing and note related to the delivery and a most importantly a written document as a format of booking by fax or physically a hard copy to Chittagong or Dhaka of which is highly important for booking carrier in the forwarder of Kuehne+Nagel Bangladesh Ltd. Those are integral parts in the freight term and status time e.g. preparing for shipment or cargo delivery date.

If the booking documents are sent to the Chittagong office, a house B/L number is created and then sent to Dhaka office to prepare the main documentation. The terms and conditions are settled and being written in an invoice. They are as follows:

- Collect shipment (FOB)).
- Prepaid shipment (C&F).

Step Three

In this stage, the shipper sends the cargo to the cargo yard at Chittagong port. We have a 1300 square meter warehouse at the Chittagong port.

After receiving the cargo we need to book the specific shipping lines according to the shippers or consignee's cargo forwarding destination and approximate time of arrival of cargo to the destination. The shipping lines provide us a monthly schedule of ocean vessel of the worldwide.

There are a number of shipping lines in the world. They provide us the vessel scheduled to forwarder for each month as well as for a year. When we receive the booking format, we try to match with the vessel schedule with the destination of the cargo. If we able to match any specific ocean vessel then we confirm them.

There number of shipping lines or career service all over the world, from where we may choose the right one for our shipment.

Step Four

A private cargo stuffing company like Summit Alliance Port Limited (SAPL) and Essak Brothers Industries Limited (EBIL) stuffs the cargo to the container of scheduled shipping line company's container which was already booked.

Then the stuffing company sends the terminal receipt e.g. cargo stuffing report to the Dhaka office. There port contains the following important particulars:

- Name of the mother vessel.
- Container size.
- Container number.
- Seal number.

- Number of carton or package.
- Total CBM.
- Expected Time of Departure (ETD) date.
- Expected Time Arrival (ETA) to the discharge place.

The above information helps us to fulfill the documentation of a specific shipment of the ocean vessel.

Step Five

After gating the EBIL report, we open a file with for particular consignment. Documents are sent from Chittagong office, with the serial number, to Dhaka office as soon as possible. Order Management System is the system of CIEL in which the House B/L number is generated by inserting the document number or booking serial number. We create a House Bill of Leading (B/L) number from the company's CIEL system under putting the serial number like DAC-0131965. The system is Computer Integrated External Logistics (CIEL). Then we e.g. sea freight department open a file for that specific shipment with this number.

This House B/L number may be more than one due to the number of order. If the order is more than one, the House B/L number will be more than one and we forward that cargo of keeping the different serial number.

At the time of creating of House Bill of Lading number the following information have to be filled in the CIEL at sea export Long Booking System, they are as follows:

- Shipper's or company name.
- Company code of consignee (defined by Hong Kong RI-T based on system)
- Address to notify.
- Destination (the place of discharge of cargo)
- Total CBM.

The freight term consist of two individual terms:

- Collect shipment.
- Prepaid shipment.
- Number of package e.g. Total cartons
- Notes related to goods or cargo.

- Net weight
- Code of the forwarder (defined by Hong Kong RI-T e.g. Set by the system).
- Mode of shipment e.g. CFS/CFS, CFS/CY or CY/CY.
- Vessel or shipment schedule given by the shipping lines.
- Shipping mark.
- Export reference.
- L/C reference.
- Purchase Order number (P.O. number)
- Invoice Number reference

The B/L number is provided after filling up this information.

After getting the house B/L number we prepare a Bill of Lading, this is called a DUMMY. Which has no value in practical with shipper or consignee, but it is issued for shipper for Export Promotion Bureau (EPB) purpose. In which an estimated ocean vessel schedule and the original L/C number, Invoice number.

Step six

In this stage, we write the following information on the file. They are as follows:

- Container size
- Container number
- Seal number
- Package and CBM
- Term of movement
- Mode of shipment

The above particulars are the most important documentary element for a sea freight forwarder. They are interpreted in details:

- Container size:
 - There are three types of container in our country.
 - 1. 20 Feet Container:
 - The capacity of 20 ' container is 28 CBM cargo.

2. 40 Feet Container:

The capacity of 40 ' container is 58 CBM cargo.

3. 40 HC Container:

The capacity of 40 HC containers is 65 CBM cargos.

- Container number: Container number is marked on the container side. At the time of containerized of cargo, number has to be written on the staffing report.
- Seal number: Seal number is also found same as container number.
- Package and CBM: Carton or package is count at the time of containerized of the carton and CBM is also measured before the containerized by EBIL.

Here it is to be happened that the different type of cargo and container are through into a container. Because of avoiding of the following estimated loss of the shipping lines. The shipping lines always use to fulfill a container with any other cargo:

- Less than Container Load (LCL).
LCL refers that cargo is less than the container's capacity. Shipping lines always want to carry the fewer containers and more cargo to secure more profit.
- Full Container Load (FCL).
FCL refers that a container is fulfill by same or different type of cargo.
- Terms of movement:
Terms of movement is set by negotiation between shippers or consignee and freight forwarder and shipping lines. There are three types of terms of movement. They are as follows:
 - ❖ **CFS/CFS:** CFS/CFS movement refers that the cargo is forwarded from Container Freight Station to another Container Freight Station. Here we e.g. a forwarder. When the vessel reached to a final destination and the container shift to the yard, we divide the cargo among the ultimate consignees.
 - ❖ **CFS/CY:** In the term of CFS/CY movement is refers that the cargo is forwarded from Container Freight Station to another Container Yard. Here we forward the container to the freight station that means final destination and then the cargo is divided by themselves (consignee).

- ❖ **CY/CY:** In the term of CY/CY movement refers that the cargo is containerized from one warehouse and forwarded to consignee's warehouse.

Port of Transshipment

Port of transshipment refers to the port where the shipments of containers from feeder vessel to mother vessel are made. Because most of the mother vessel can't come to our Chittagong port. This why small vessel (feeder vessel) carry that container and sail towards the few big ports for getting the mother vessel.

There are few listed port of transshipments are as follows:

Port of Transshipment	Country
Singapore	Singapore
Colombo	Sri Lanka
Port Keelung	Malaysia

The above ports are used for transmission of containers from the feeder vessel to the mother vessel.

Bill of Lading

Master Bill of Lading (B/L) number:

The shipping lines provide us vessel schedule. We intend to match with the vessel schedule and then EBIL stuffing the cargo into the container. After the vessel arrives the shipping lines load container on the vessel. As a part documentation, we link the house number with vessel schedule. Then we get the master B/L number from CIEL.

Example: 4861-0057-501-020. Here 4861 is fixed and it is printed on K+N prescribed file. Bill of Lading is no a contract, but it is the documentary proof of a contract between the shipper and consignees like shipper and forwarder.

There are two types of Bill of Lading. They are interpreted in the following way:

- **House Bill of Leading:** A House B/L refers to the document of a contract between **Shipper and Freight Forwarder**. That is, garments owner and KUEHNE + NAGEL LTD.
- **Master Bill of Leading:** A master Air Way Bill refers to the document of a contract between freight forwarder and shipping lines that is KUEHNE + NAGEL LTD. and *Hapag-Lloyd* or **P&O Nedlloyd**.

A House and Master Bill of Lading contains the following common information which is most essential for shipment and they are as follows:

- Name and address of shipper.
- Name and address of the consignee.

For the sea freight Bill of leading, the name of consignee has to be written in B/L as the name of shipper's local bank. In which the consignee's L/C issuing bank transfer the L/C to shipper's local bank. Example: Sonali Bank, Motijheel branch for Applique Fashion Wear Ltd. Shamoly, Dhaka.

- Notify Party. In this portion, the name of the ultimate consignee are to be written.

Name and address of delivery agent as freight forwarder. For the sea shipment the delivery agent is the KUEHNE + NAGEL LTD. overseas office of the delivery agent of the cargo.

(a) House B/L is issued by KUEHNE + NAGEL LTD. as an agent who forwards.

(b) Master B/L is issued by British Airways as concerned Shipping Lines.

- Name of the carrier agent.
 - (a) In terms of House B/L, KUEHNE + NAGEL LTD. acts as the carrier agent to the shipper.
 - (b) Regarding the Master B/L, *Hapag-Lloyd* or **APL** is the carrier agent to KUEHNE + NAGEL LTD.
- Ocean Vessel transport schedule:

This portion is the most import for the House Bill of Lading. In this stage, the whole vessel schedule is given.

By the vessel schedule; the shipper and consignee able to identify the vessel name and Expected Time of Departure (ETD) from the Chittagong port, port of Transshipment, Feeder vessel name, Voyage number, Mother vessel and voyage number and finally the port discharge of cargo.

Combined transport	Pre-carried by OEL ESTEEM V-106	Port of loading Chittagong
Vessel OOCL SAN FRANCISCO	Voyage No. V-24W52	Port of Transshipment Singapore
Port of discharge Rotterdam	Movement CFS/CY	Freight payable at Destination
Marks & Number Style No. Gross Weight Net Weight Carton Meas.	Number of Package 450 Carton (S)	Description of goods Men's T-Shirt

- Freight term. Example: Here 4861 is the fixed for the specific shipment of the sea freight shipment.
 - Collect shipment, when the payment is made by the consignee.
 - Prepaid shipment, when the payment is made by the shipper.
- Invoice number, L/C number, EXP number and SB number.
- Order and article number.

In the sea freight export documentation system, one House Bill of Lading number will be issued for each order of shipment that refers that the one B/L number would be created against one booking of shipment to us.

Freight Certificate

A freight certificate to the shipper is issued for the prepaid shipment. But it depends on shippers willingness either they want or not. The shipper takes freight certificate for customs purpose which includes the following particulars:

- Shipper name
- House B/L number
- Cartons

- Sea freight charge
- Security and scanning charge
- Charge of the documentation
- Terminal handling charge

Shipment Advice

After issuing a dummy, Email or hard copy is sent to local buying office or ultimate consignee knowing about the cargo is intended to sailing towards ultimate consignee. These are basically determined by the nature of shipment of cargo with the following particulars:

- . Order number of purchase
- Article number
- Number of carton
- Freight terms and conditions
- Description of cargo.
- Invoice number
- Letter of Credit number (L/C)
- EXP number, given by company or shipper.
- Vessel schedule
- Master B/L number

After that, the messages are sent to the sea freight department informing the confirmation by the informed company or person. After that the shipment is forwarded. If anything is incorrect or not clear between shipper and forwarder, we inform to related parties.

Release the Bill of Lading

Finally, the bill of lading is released with proper documentation system. These are as follows:

Collect Shipment

In the sea export, most of the shipments are procured by the collect freight term. The shipper pay only the documentation fee to us if the shipment would be Collect. We prepare 8 copies of B/L. First 3 of them are original and the rest of them is a copy.

At the time of release, we provide to shipper first 6 copies and we keep 2 copies for our documentation purpose.

Regarding the Collect Shipment KUEHNE+NAGEL BANGLADESH LTD Dhaka office issues the invoice and informs it to concerned **KN** overseas office which further collects the shipment charge at the time of release the cargo from the consignee.

Prepaid Shipment

The shipper has to pay the total amount of charge which was contracted with shipper as per CBM of cargo if the shipment would be Prepaid.

(b) Import Documentation and Operation System

The Sea Freight import operation systems are carried out by several kinds of documentation system which require some specific steps and procedures to enable the freight forwarder service like sea freight department of KUEHNE+NAGEL BANGLADESH LTD

There are some specific documentations regarding the Import documentation system and operation. These are as follows.

Step One

The import department or import executive check the CIEL system regularly.

If there is any new information on Electronic Data Interchange (EDI) system, it comes as an pre-alert.

Step Two

In to our CIEL system, we get information about new import of KUEHNE+NAGEL BANGLADESH LTD Dhaka office. From the CIEL system, we get the full information for following issues.

- House B/L number
- Master B/L number
- Vessel schedule detail e.g. in which vessel the cargo is imported.
- Number of carton (s)

- Description of goods.

After getting the new import information in EDI, we or import executive forwards message to our Chittagong port in charge about the new information and we also inform him about B/L number, number of carton and description of cargo.

Step Three

Before the mother or feeder vessel sail, the shipping line loads the container to the ship. Before 4 or 5 days of arrival of feeder vessel to the Chittagong port, the KUEHNE+NAGEL overseas office sends an Email and a set of original documents to our Chittagong office regarding the specific import shipment.

Getting the new documents, Chittagong port in charge creates a House Bill of Lading number by the CIEL system as per order and article number of documents.

Chittagong port in charge forwards those documents to K+N Dhaka office for the update of documentation and information.

The file is updated by us by inputting the new information to EDI into CIEL system. We immediately inform the ultimate consignee in our country about the import shipment.

Step Four

Then prepare invoice to ultimate consignee analyzing all the documents. The charges of invoice vary in term of shipment.

Collect shipment

We prepare invoice including the following charges:

- Freight charge.
- Scanning charge
- Documentation charge
- Other charges related to shipment

Prepaid shipment

We prepare invoice for the prepaid shipment including the following charges:

- Documentation charge

When it comes to releasing the original Bill of Lading, above mentioned charge and Bill of Lading has to be paid by the consignee.

Overall, this was the narrative description of Export and Import documentation and operation system of sea freight of KUEHNE + NAGEL LTD.

Organization Wide Activities

As a part of my internship, I have also witnessed and assessed the operations of the firm. Based on my experience, here I would like to put the focus on the activities undertaken by the organization.

In Bangladesh, the operation of the Sea Freight section was started from the starting phase of the journey of KUEHNE+NAGEL BANGLADESH LTD. Because of the workload of cargo and overall service quality, the operation of containerized cargo in the Sea Freight is increasing day by day is going upward day by day. At present, the Sea Freight mainly shifts readymade garments, agricultural products, and other goods in the Europe, North America, Latin America and North East Asian countries.

The Sea Freight plays the most crucial role in KUEHNE+NAGEL Ltd Bangladesh. The Sea Freight operates in export from most of the countries in the Europe and North America. It also includes import of machinery, car, yarn fabrics and chemicals from Europe, the Middle East and North East countries and the subcontinent as well.

Weight

Most of the export-oriented goods are transported by sea and the cargos are exported with containerized. Even though it takes more time than Air Freight, but it forwards heavyweight and quantity and reduces overall costs.

At present, shipping conferences have huge investments in specialized container ships. As it carries high importance, sea transport of containerized cargo requires expert and experienced

packing. By providing this sort of services, specialized forwarder like KUEHNE+NAGEL BANGLADESH LTD is playing an integral part in this sector.

Security

In the case of transit and handling, Sea transport offers a reduced risk of damage. Though the cargo is transported from Bangladesh by using transshipment in some sea-ports like Singapore and Colombo the cargos are handled with care by containerized. The goods are not exposed to humps, jerks, hooks, disasters or salt water. Because the goods are less at risk, packing costs and transport insurance premium are lower

Reliability

Quality service and reliability, are vital elements for any international business. The international trade always involves two or more nationalities that would be buyer and seller, based on the place another one thing is media. This may be an international carrier. There can be a lot of legal problems which can only be solved by forwarding the cargo among the nations who want to business with one another. The KUEHNE+NAGEL LTD accumulate those freight problems and try to solve with the security, accountability and more reliability.

Responsibility

The sea freight of the company plays a vital role when it comes to delivering the cargo of consignee's door to door. In this case, the forwarder has to take full responsibilities before delivering the cargo. As a forwarder K+N has promptly taken that responsibility to provide best services to the world famous shipper and consignee.

Challenges and Proposed Course of Action for Improvement

In this three months period of internship I have experienced a lots of operational activities, but with there were some challenges and limitations also. Here I am going to point out some significant challenges and my personal recommendations on those—

Firstly, as discussed before my major was in Finance and minor was in E-business. I hardly knew about freight forwarding sector. So, from the first day I was just like sinking in a deep sea and giving all my efforts to survive. There were a lots of terms which I did not heard for a once even. So I needed to study about it for first two or three weeks just for gaining the basic idea. Though with the support of my colleagues and supervisor I managed to get at least an overview. In this case, my recommendation is if we can take some basic ideas on the industry or the sector of our internship before joining, it will be a great help. If someone's major and the intern sector is matched then it is fine, but if it is not like that then students may face a big trouble. So, I think when anyone decides to join somewhere then he or she should go for consultation to any faculty regarding the sector.

Secondly, I want to mention about the culture. Though Kuehne + Nagel Bangladesh Ltd. Is a multinational company, but what I felt is there it is not like just I am joining in a big corporate, so I need to maintain my outlook, manners and attitude. Sometimes there were some bitter experience like backbiting, bullying, discrimination and etc. For this reason my recommendation is taking preparation and trying to know about the culture of the company from the insiders before joining.

Thirdly, freight forwarding is always an ongoing process. Works are distributed to person by person. The whole team of export or import section is working a group. After doing discussion with my colleagues and experiencing by myself, I have felt the efficiency would be increased if employees are divided in small groups to complete specific tasks. Like, now whole team is taking part in different steps to maintain all the shipments. But if they can divide like certain 3 people will maintain these certain numbers of shipment totally then it will be more efficient I believe.

Lastly, I believe major subject or interest should get the priority to choose the sector of the internship. Or if anyone want to join in any different sector then they should try to understand their work and take some inside information before joining, this my recommendation.

Lessons Learned from the Internship Program

In this internship I have learned about freight forwarding procedure and got hands on experience in CIEL. This CIEL system is the core platform for the sea freight export operation in this company. And the company rule is they use same software in their every office of any country for certain operations. So, it is a great learning for me and if I work in this company in future it will be a great advantage for me to implement my learning.

To say about the academic implementation, I can mention that I have discussed the sea freight operation procedure in this intern report. So, the fellow students can get a depth learning about sea freight operation from this report.

Conclusion and Recommendation

After all of it I have to say from one perception this internship program in Kuehne Nagel Bangladesh Ltd. was a great journey for me, and from another perception there are some opposites. But all together I can conclude my opinion about this program by saying I got excellent learning. Freight forwarding operation is a continuous process, Time management, pressure handling, observation, keeping record, following steps and other things need to be maintained very carefully. One single mistake can be the reason for a big disruption. So, working in this sector can help people for their self-development.

Besides, In Bangladesh Kuehne Nagel Ltd.s' sea freight export department is more profitable than import. But our countries import sector is almost double of our export section. But why the company is not getting that much income in import section like export? I think reason is it is less renowned to the mass market. So, my recommendation the company should try to reach more who are the potential customer for the import section. The company needs to make more visibility in social media platforms and they can make a local website for Bangladeshi stakeholders.

In the concluding part I want to add that from the discussion with our colleagues I have understood they are always in continuous pressure and most of the executives need to give more time to keep the operation smooth, but this time is not counted as paid overtime. Some of them are not satisfied with their salary also. I think if the company try to take care about this the employees will be more spirited and their work efficiency will be increased a lot.

Modern world is using technology for make life and works easier, but what I felt the softwares kuehne Nagel uses like CIEL, SA Log etc. are a little bit complex. These software's user interface is not user friendly also. So the company should think to bringing something easier and advanced technology for this.

Finally, at the end of my report, I have to admit it was a great journey of learning. I will recommend any student with supply chain management major to think about this company at first to learn something exclusive from their internship. But if anyone is interested to do their internship in this company without supply chain management then they are suggested to take some inside study before joining.

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