

**Module 9**

*Section A: Infrastructure and Systems*

**Term**

Importer of record (IOR)

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*Section A: Infrastructure and Systems*

**Term**

Substitutability

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**Module 9**

*Section B: Regulations*

**Term**

Anti-bribery regulations

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*Section B: Regulations*

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Bribes

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*Section B: Regulations*

**Term**

Container security initiative (CSI)

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*Section B: Regulations*

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Embargo

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*Section B: Regulations*

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Hazardous materials

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*Section B: Regulations*

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Trade bloc

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When a buyer can purchase similar products from different suppliers. Increases the buyer's power because the buyer doesn't have to rely on just one supplier.

The entity responsible for ensuring the imported/exported goods comply with local laws and regulations, for filing the documentation for duty entry, and for paying any associated import duties or taxes.

A gift, money, or a favor given by one person to another intending to influence the person's decision, judgment, or conduct. Offering or accepting bribes is illegal in most countries and a violation of the UN Global Compact. A complicating factor is that bribes are expected parts of business transactions in some cultures. Syn.: facilitating payments.

Country regulations that penalize organizations that engage in bribery. The OECD Anti-Bribery Convention requires countries to develop such regulations.

A ban established by a nation's government that prohibits individuals or organizations from conducting any trade with individuals or organizations from another particular nation.

An agreement that allows US customs agents in foreign ports to identify and inspect high-risk containers prior to their being loaded on a ship bound to a US port.

An agreement between or among countries intended to reduce or remove barriers to trade within member countries. Frequently, but not always, those countries are geographically close. Examples of trade blocs are the European Economic Community and the North American Free Trade Agreement (NAFTA). Syn.: trading bloc.

Any material that a country's relevant government agency has classified as a risk to human, animal, or environmental health or to property—either on its own or due to interaction with other elements. A government's transportation authority may allow transportation only when proper permits and safety precautions are implemented. Similarly, a government may regulate or supervise hazardous material disposal. Categories include explosives, flammable or corrosive liquids or gasses, biohazards, and radioactive materials.

**Module 9**  
*Section C: Customs Clearing and Documentation*

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**Term**  
Air waybill (AWB)

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**Module 9**  
*Section C: Customs Clearing and Documentation*

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**Term**  
Bill of lading (house) (B/L)

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*Section C: Customs Clearing and Documentation*

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**Term**  
Carnet

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*Section C: Customs Clearing and Documentation*

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**Term**  
Certificate of free sale

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*Section C: Customs Clearing and Documentation*

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**Term**  
Certificate of inspection

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**Term**  
Certificate of insurance

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*Section C: Customs Clearing and Documentation*

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**Term**  
Certificate of manufacture

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*Section C: Customs Clearing and Documentation*

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**Term**  
Certificate of origin

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A bill of lading issued by a non-vessel-operating common carrier (NVOCC), consolidator, or freight forwarder. It indicates the carrier's name and lists the master bill of lading. See: bill of lading (master).

A bill of lading for transporting domestic or international freight by air. It specifies the destination and terms of trade agreed upon by the shipper and transportation organization.

A certificate that attests that the goods can be legally sold in the country of export. The intent is to prevent defective products from being exported.

Temporary admission granted to goods that are passing through a country rather than being imported into it. The goods can cross several boundaries duty-free and tax-free without customs inspection. Disposable and consumable items are excluded. Syn.: ATA carnet.

A certificate, required under some terms of trade, that attests that a particular shipment has insurance coverage. It is provided by the exporter's insurance company.

A certificate provided by an independent inspection organization attesting to the accuracy of the value and authenticity of the goods as listed on the invoice. The exporter obtains this preshipment certificate in the exporting country.

A document attesting to a shipment's country of origin.

A certificate that attests that the goods were manufactured in the exporter's country. It is provided and signed by the exporter's chamber of commerce.

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*Section C: Customs Clearing and Documentation*

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**Term**  
Commercial invoice

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*Section C: Customs Clearing and Documentation*

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Consular invoice

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*Section C: Customs Clearing and Documentation*

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**Term**  
Duty

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*Section C: Customs Clearing and Documentation*

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**Term**  
Export license

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*Section C: Customs Clearing and Documentation*

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**Term**  
Harmonized Tariff Schedule (HTS)

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*Section C: Customs Clearing and Documentation*

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**Term**  
Harmonized system classification codes

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Import license

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**Term**  
Ocean bill of lading

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A special invoice used for goods being sent to the importer's country. The importing country's consulate provides the stationery. The invoice is written in the language of the importing country and may require a government employee's signature.

An official document indicating the names of the seller and buyer, the product being shipped, and its value. The document is provided by the seller.

A document received from a governmental agency authorizing a certain quantity of an export to be sent to a given country.

A tax levied by a government on the importation, exportation, or use and consumption of goods.

An internationally standardized description of goods that uses a system of numbers to provide increasingly detailed classification and descriptions.

The US International Trade Commission's mechanism by which international tariffs are standardized. Importers and exporters classify goods moved across international borders using the harmonized system of the country of import. Then based on this classification the [this concept] is used to determine the amount of tariff they must pay.

A contract between an ocean carrier and a shipper arranging for carriage of freight. It provides evidence of the carrier's receipt of the cargo and lists the origin and destination ports, rates, quantities, weight, and any special handling requirements. The shipper is responsible for all losses other than for negligence on the part of the ocean carrier.

An importing country's government document that provides an importer with the express authorization to import a particular product.

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*Section C: Customs Clearing and Documentation*

**Term**  
Packing list

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Pro forma invoice

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Rail waybill

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Road waybill

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Shipper's export declaration (SED)

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*Section D: Finance and Payment Options/Currency and Tax Considerations*

**Term**  
Bill of exchange payment

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*Section D: Finance and Payment Options/Currency and Tax Considerations*

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Cash in advance payment

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*Section D: Finance and Payment Options/Currency and Tax Considerations*

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Foreign/free trade zone (FTZ)

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A quote provided by a seller/exporter prior to the delivery of products or services, informing the buyer/importer of the price. This document is submitted to customs for valuation purposes.

A list showing merchandise packed, a copy of which is sent to the consignee to help verify the shipment. Often used as part of the order picking and processing.

A shipping document used to control shipments of goods for road transport. The document travels with the shipment and serves as a receipt for goods and evidence of the contract of carriage.

A freight document that indicates goods have been received for shipment by rail. The shipper receives a copy as a receipt for acceptance.

A promissory note that the importer uses to formally acknowledge its debt to the exporter. Syn.: draft.

An export/import document prepared by the shipper before a shipment can be exported and presented to a government authority of the country in which the shipper resides. Specifies details on the goods to be shipped, including their value, weight, and destination.

Designated areas within a country that are considered to be outside the country. Material in the zone is not subject to duties and taxes until the material is moved outside the zone for consumption. There is no limit on the time material may remain in the zone. [...].

Payment by the importer to the exporter before the exporter ships the goods, providing the maximum protection to the exporter and no protection to the importer.

**Module 9**

*Section D: Finance and Payment  
Options/Currency and Tax Considerations*

**Term**  
Incoterms

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*Section D: Finance and Payment  
Options/Currency and Tax Considerations*

**Term**  
Open account payment

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**Module 9**

*Section D: Finance and Payment  
Options/Currency and Tax Considerations*

**Term**  
Terms of trade

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A method of payment for goods shipped in advance of payment, in which the buyer or importer sends the seller or exporter an invoice requesting payment by a certain date.

A series of pre-defined commercial terms published by the International Chamber of Commerce relating to international commercial law. These terms do not cover property rights.

The portion of a contract of sale that specifies the responsibilities of the seller or exporter and the responsibilities of the buyer or importer, especially the point at which one party's responsibilities end and the other party's responsibilities begin (including the point at which title to the goods is transferred). Commonly specified using International Commercial Terms (Incoterms<sup>®</sup>).