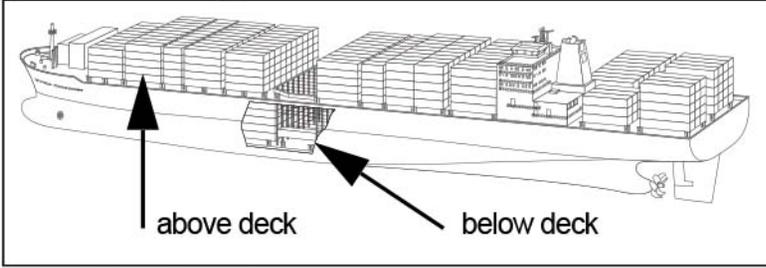


## Dictionary of International Trade & Compliance

Term	Definition
<b>abandonment</b>	(shipping/insurance) (a) The act of refusing delivery of a shipment so badly damaged in transit that it is worthless. (b) Damage to a vessel that is so severe that it is considered a constructive total loss. See constructive total loss.
<b>abatement</b>	(shipping) A deduction or discount given as a result of damage to a shipment or an overcharge in the payment of a bill.
<b>Abbrochment</b>	(law) The purchase at wholesale of all merchandise that is intended to be sold in a particular retail market for the purpose of controlling that market.
<b>Able-Bodied Seaman</b>	(shipping) An experienced seaman in the merchant marine able to perform all routine duties on board a ship. Depending upon the vessel, these duties can include: standing watch, standing lookout, acting as helmsman, steering, handling rigging, operating a launch, operating cranes and gantries and other ship equipment. Able bodied seaman is the second level job of six towards becoming a capitan (ordinary seaman, able-bodied seaman, third mate, second mate, chief mate, captain).
<b>Aboard</b>	(shipping/logistics) (a) The placement or lading of cargo on any conveyance. (b) Cargo that has been placed or laden on any means of conveyance.
<b>About</b>	(banking) In connection with letters of credit, "about" means a tolerance of plus/minus 10% regarding the letter of credit value, unit price or the quantity of the goods, depending on the context in which the term is used.
<b>above deck</b>	 <p data-bbox="489 946 2003 1040">(shipping) Location on or above the highest deck of a ship. Cargo or containers shipped above deck are subject to wind, rain and fluctuations in temperature. Some cargo, as a result of its size, must be shipped above deck. Some letters of credit and purchase contracts specifically forbid placement of cargo above deck.</p>
<b>absolute advantage</b>	(economics) The advantage of one nation or geographic region over another in the costs of manufacturing an item in terms of used resources.
<b>Absorption</b>	<p data-bbox="489 1109 2003 1198">(economics) Investment and consumption purchases by households, businesses and governments, both domestic and imported. When absorption exceeds production, the excess is the country's current account deficit. See current account.</p> <p data-bbox="489 1198 2003 1258">(shipping) The assumption by one carrier of the special charges of another carrier generally without increasing charges to the shipper.</p>

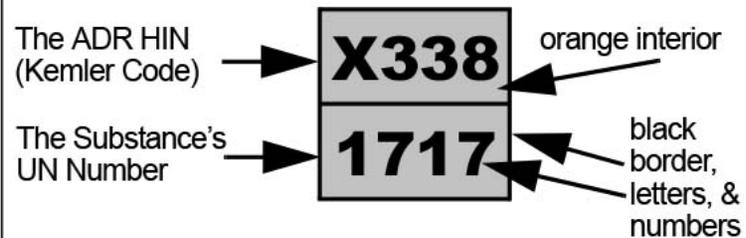
Term	Definition
<b>Accelerated Commercial Release Operation Support System (ACROSS)</b>	<p>(Canada Customs) A Canada Border Services Agency (CBSA) electronic data interchange (EDI) system that allows traders and brokers to file documents and transfer data to the CCRA 24 hours a day, 7 days a week. The system increases efficiency, decreases paperwork and speeds the release of shipments from Canada Customs. Shipment release information is provided to the CBSA through a computer-to-computer transmission rather than being submitted in a hard copy format on paper.</p> <p>Under ACROSS, releases may be submitted in one of two methods, pre-arrival (PARS) or post-arrival and in any one of three following formats: The two most common cargo and release services, Release on Minimum Documentation (RMD) and Appraisal Quality Release (AQ) are available through ACROSS. The Frequent Importer Release System (FIRST), however, is not currently supported by the system.</p> <p>R.M.D. Data R.M.D. data describes basic shipment information such as who the goods were purchased by, to whom are they going, who are they from, when they shipped, the number of pieces, a general description of the goods imported (often times for enforcement purposes Customs will reject the release and ask for a better description) and a total value. Other basic information is also required.</p> <p>Appraisal Quality "Appraisal quality" release data requires the transmission of the complete Canada Customs Invoice along with other basic data elements such as the transaction number, etc.</p> <p>Appraisal Quality with H.S. The third type of release is appraisal quality with the Harmonized System tariff number attached. This is beneficial, when the importer, exporter and carrier of the goods all have good compliance records and have been approved by Customs for machine release.</p> <p>For more information, go to: <a href="http://www.cbsa-asfc.gc.ca">www.cbsa-asfc.gc.ca</a>.</p>
<b>accelerated tariff elimination</b>	(customs) The gradual reduction of import duties over time. Accelerated tariff elimination is often a feature of free trade agreements. The North American Free Trade Agreement (NAFTA) is an example of a trade agreement with accelerated tariff elimination.
<b>Acceptance</b>	<p>(law) (a) An unconditional assent to an offer. (b) An assent to an offer conditioned on only minor changes that do not affect any material terms of the offer. See counteroffer; offer.</p> <p>(shipping) Receipt by the consignee of a shipment thus terminating the common carrier liability.</p> <p>(banking) A time draft (bill of exchange) on the face of which the drawee has written "accepted" over his signature. The date and place payable are also indicated. The person accepting the draft is known as the acceptor. Note: The drawee's signature alone is a valid acceptance and is usually made across the left margin of the bill of exchange. See bank acceptance, bill of exchange.</p>
<b>acceptance letter of credit</b>	(banking) A letter of credit which, in addition to other required documents, requires presentation of a term draft drawn on the bank nominated as the accepting bank under the letter of credit. See acceptance; bank acceptance; letter of credit.
<b>accepted draft</b>	(banking) A bill of exchange accepted by the drawee (acceptor) by putting his signature (acceptance) on its face. In doing so, he commits himself to pay the bill upon presentation at maturity. See acceptance; bank acceptance; bill of exchange.
<b>accepting bank</b>	(banking) A bank who by signing a time draft accepts responsibility to pay when the draft becomes due. In this case the bank is the drawee (party asked to pay the draft), but only becomes the acceptor (party accepting responsibility to pay) upon acceptance (signing the draft). See acceptance; bill of exchange.
<b>acceptor</b>	(banking) The party that signs a draft or obligation, thereby agreeing to pay the stated sum at maturity. See acceptance; bill of exchange.

<b>Term</b>	<b>Definition</b>
<b>Accession</b>	The process by which a country becomes a member of an international agreement, such as the World Trade Organization (WTO), the GATT or the European Community (EC). Accession to the WTO involves negotiations to determine the specific obligations a nonmember country must undertake before it will be entitled to membership benefits. See accessions.
<b>Accessions</b>	(law) (a) Goods that are affixed to and become part of other goods. Examples include semiconductors that are inserted into computers, parts that are added onto vehicles and dials that are used in watches. (b) A nation's acceptance of a treaty already made between other countries. See accession.
<b>accessorial charges</b>	(shipping) Charges made for additional, special, or supplemental services, normally over and above the line haul services.
<b>accessorial services</b>	(shipping) Services performed by a shipping line or airline in addition to the normal transportation service. Common accessorial services include advancement of charges, pickup, delivery, C.O.D. service, signature service and storage.
<b>accident</b>	(insurance) An event that is not inevitable and not caused deliberately by the insured. Insurance is designed to cover accidents, not inevitabilities.
<b>accommodation</b>	(law) An action by one individual or legal entity (the accommodation party) that is taken as a favor, without any consideration, for another individual or legal entity (the accommodated party). An accommodation note or paper is a commercial instrument of debt that is issued by or for an accommodated party (who is expected to pay the debt) and that contains the name of the accommodation party. A person may make an accommodation, for example, to help another party raise money or obtain credit. An accommodation party is usually treated like a surety, who is responsible for the performance of the accommodated party. The distinction between an accommodation and a surety is that an accommodation is made without consideration, that is, it is freely given. See surety.
<b>accord and satisfaction</b>	(law) A means of discharging a contract or cause of action by which the parties agree (the accord) to alter their obligations and then perform (the satisfaction) the new obligations. A seller who cannot, for example, obtain red fabric dye according to contract specifications and threatens to breach the contract may enter into an accord and satisfaction with the buyer to provide blue-dyed fabric for a slightly lower price.
<b>account number</b>	(shipping) An identifying number issued by a carrier's accounting office to identify a shipper and/or consignee. The number helps ensure accurate invoicing procedures and customer traffic activity.
<b>account party</b>	(banking) The party that instructs a bank (issuing bank) to open a letter of credit. The account party is usually the buyer or importer. See letter of credit.
<b>accounts payable</b>	(accounting) A current liability representing the amount owed by an individual or a business to a creditor(s) for merchandise or services purchased on an open account or short-term credit. See accounts receivable.
<b>accounts receivable</b>	(accounting) Money owed a business enterprise for merchandise or services bought on open account. See accounts payable.
<b>accrual of obligation</b>	(law) The time at which an obligation matures or vests, requiring the obligor to perform. In a contract between a buyer and seller, for example, the seller's obligation to deliver goods may accrue when the buyer tenders payment in full. Alternatively, if the contract specifies a date for delivery of the goods, the seller's obligation accrues at that date, even if the buyer tenders payment before or after that date.
<b>acquisition</b>	The purchase of complete or majority ownership in a business enterprise, usually by another business enterprise.
<b>ACROSS</b>	(Canada Customs) See Accelerated Commercial Release Operations Support System.
<b>Act of God</b>	(insurance) An act of nature beyond man's control such as lightning, flood, earthquake or hurricane. Many shipping and other performance contracts include a "force majeure" clause which excuses a party who breaches the contract due to Acts of God. See force majeure.
<b>action ex contractu</b>	(law) A legal action for breach of a promise stated in an express or implied contract.

<b>Term</b>	<b>Definition</b>
<b>action ex delicto</b>	(law) (a) A legal action for a breach of a duty that is not stated in a contract but arises from the contract. A seller of goods, for example, who represents that the goods can be used for a certain purpose has a duty to furnish goods that can be so used, even if that duty is not stated in the contract. If the seller fails to provide such goods, the seller breaches that duty and the buyer has an action ex delicto based on the seller's fraudulent representation. (b) A legal action that arises from a wrongful act, such as fraud.
<b>activity-based costing (ABC)</b>	(logistics) An accounting methodology that measures all the costs associated with a specific business activity regardless of organizational structure. The business activity can be the production, delivery or maintenance of a product or service.
<b>actual total loss</b>	(insurance) An insurance loss when goods are destroyed, when the assured is irretrievably deprived of their possession, or when the goods arrive so damaged as to cease to be a thing of the kind insured. Examples of this last, which is spoken of as a "loss of specie," are cement arriving as rock or textiles as rags.  Adjustment of actual total losses usually involves little difficulty. The policy being a valued one, payment for total loss is in the full amount of the policy. Disasters likely to give rise to total loss include fire, sinking, or stranding of the vessel, collision, and loss overboard in the course of loading or discharge. See total loss, constructive total loss.
<b>ad valorem</b>	Literally: according to value.  (general) Any charge, tax, or duty that is applied as a percentage of value.  (taxation) A tax calculated on the value of the property subject to the tax.  (shipping) A freight rate set at a certain percentage of the declared value of an article.  (U.S. Customs) Ad valorem duty. A duty assessed as a percentage rate or value of the imported merchandise. For example, 5% ad valorem. See compound rate of duty; specific rate of duty; tariff.
<b>added value</b>	The increase in value of a product or service resulting from a process, production, distribution, or implementation of an idea. Added value traditionally resulted from the transformation of materials by actions of workers. Added value, however, can also come as a result of distribution, storage, or transport of materials or goods, or as a result of marketing or rebranding.
<b>Additional Carrier Requirements</b>	See 10+2 rule (under "#").
<b>additional perils</b>	(insurance) Insurance policy extensions that generally include losses caused by explosion, earthquake, storm, tempest, flood, burst water pipes, riot, strike, civil commotion, and malicious damage. Also called special perils.
<b>address of record</b>	(law) The official or primary location for an individual, company, or other organization.
<b>adhesion contract</b>	(law) Contract with standard, often printed, terms for sale of goods and services offered to consumers who usually cannot negotiate any of the terms and cannot acquire the product unless they agree to the terms.
<b>adjuster</b>	(insurance) An individual whose job is to investigate and settle claims against an insurance company. An adjuster may be an employee of the insurance company, an adjusting organization, or an independent engaged by contract.
<b>adjustment</b>	(general) The refund or replacement of lost or damaged goods by a seller.  (insurance) The settlement of a loss by an insurance claim. More specifically, the process by which the insurer reviews a claim and determines if the circumstances of the loss, damage, or delay were wholly, partially or in no way covered by the terms of the insurance policy. Compensation paid to the insured accordingly.

Term	Definition
	<p>In the event of a disagreement, the insured may, in most cases, appeal the decision of insurer to a third-party arbitrator or to the court system. Routine claims, however, are usually handled quite quickly once all the paperwork is properly filed.</p> <p>(U.S. government) The negative impact of increased import competition to U.S. businesses. See adjustment assistance.</p>
<b>adjustment assistance</b>	<p>(U.S. law) Financial, training and reemployment technical assistance to workers and technical assistance to firms and industries, to help them cope with adjustment difficulties arising from increased import competition. The objective of the assistance is usually to help an industry become more competitive in the same line of production, or to move into other economic activities. The aid to workers can take the form of training (to qualify the affected individuals for employment in new or expanding industries), relocation allowances (to help them move from areas characterized by high unemployment to areas where employment may be available) or unemployment compensation (to tide them over while they are searching for new jobs). The aid to firms can take the form of technical assistance through Trade Adjustment Assistance Centers located throughout the United States. Industry-wide technical assistance also is available through the Trade Adjustment Assistance program. The benefits of increased trade to an importing country generally exceed the costs of adjustment, but the benefits are widely shared and the adjustment costs are sometimes narrowly--and some would say unfairly--concentrated on a few domestic producers and communities. Adjustment assistance can also be designed to facilitate structural shifts of resources from less productive to more productive industries, contributing further to greater economic efficiency and improved standards of living. Trade Adjustment Assistance Centers: Web: <a href="http://www.taacenters.org">www.taacenters.org</a>. See Trade Adjustment Assistance Centers.</p>
<b>Administrative Protective Order (APO)</b>	<p>(U.S. law) An Administrative Protective Order, APO, is used to protect proprietary data that is obtained during an administrative proceeding. Within the U.S. Department of Commerce, APO is most frequently used in connection with antidumping and countervailing duty investigations to prohibit opposing counsel from releasing data. The term is also applied in connection with civil enforcement of export control laws to protect against the disclosure of information provided by companies being investigated for violations. A sample APO is available at <a href="http://ia.ita.doc.gov/apo/367-598.htm">http://ia.ita.doc.gov/apo/367-598.htm</a>. See dumping; countervailing duties.</p>
<b>admiralty</b>	<p>(law/shipping) Any civil or criminal issue having to do with maritime law.</p>
<b>admiralty court</b>	<p>(law/shipping) A court of law that has jurisdiction over maritime legal issues. These generally include ocean shipping, collisions of vessels, charters, contracts and damage to cargo.</p>
<b>admission temporaire</b>	<p>(customs) The free entry of goods normally dutiable. See ATA Carnet.</p>
<b>Admission Temporaire/Temporary Admission Carnet</b>	<p>See ATA Carnet.</p>

### ADR Hazard Identification Number (HIN) Placard



**The first figure of the ADR HIN (Kemler Code) indicates the primary hazard**

- 2** gas
- 3** flammable liquid
- 4** flammable solid
- 5** oxidizing substance or organic peroxide
- 6** toxic substance
- 7** radioactive substance
- 8** corrosive substance
- 9** miscellaneous/environmental hazard
- X** reacts dangerously with water

**The second and third figure generally indicate secondary hazards**

- 0** the hazard is adequately described by the first figure
- 2** (flammable) gas may be given off
- 3** fire risk
- 4** fire risk
- 5** oxidizing risk
- 6** toxic risk
- 7** –
- 8** corrosive risk
- 9** risk of spontaneous, violent reaction
  - Doubling of a figure indicates an intensification of that particular hazard. Where the hazard associated with a substance can be adequately indicated by a single figure, this is followed by a zero.
  - If a hazard identification number is prefixed by letter 'X', this indicates that the substance will react dangerously with water.
  - Therefore, X338 in the example above indicates a substance that reacts dangerously with water (X), an intensified fire risk (33), and a corrosive risk (8).

Term	Definition
	<p>(standards/shipping/hazmat) Acronym for the French " Accord Européen Relatif au Transport International des Marchandises Dangereuses par Route," or European Agreement Concerning the International Carriage of Dangerous Goods by Road. The ADR, developed under the aegis of the United Nations Economic Commission for Europe, governs the transport of hazardous materials.</p> <p>The original negotiations were launched in Geneva on September 30, 1957 with the agreement taking effect on January 29, 1968. New amendments took effect in 1985 and 2009. A consolidated version was published as document ECE/TRANS/202, Vol.I and II. (ADR 2009).</p> <p>The agreement fundamentally states that, with the exception of certain exceptionally dangerous materials, hazardous materials may in general be transported internationally in wheeled vehicles, provided that two sets of conditions be met: Annex A regulates the merchandise involved, notably their packaging and labels. Annex B regulates the construction, equipment, and use of vehicles for the transport of hazardous materials.</p> <p>The classes of dangerous goods according to ADR are:</p> <p>Class 1: Explosive substances and articles</p> <p>Class 2: Gases</p> <p>Class 3: Flammable liquids</p> <p>Class 4.1: Flammable solids, self-reactive substances and solid desensitized explosives</p> <p>Class 4.2: Substances liable to spontaneous combustion</p> <p>Class 4.3: Substances which, in contact with water, emit flammable gases</p> <p>Class 5.1: Oxidizing substances</p> <p>Class 5.2: Organic peroxides</p> <p>Class 6.1: Toxic substances</p> <p>Class 6.2: Infectious substances</p> <p>Class 7: Radioactive material</p> <p>Class 8: Corrosive substances</p> <p>Class 9: Miscellaneous dangerous substances and articles</p>

Term	Definition
	<p>For the full text of the ADR go to: <a href="http://www.unece.org/trans/danger/publi/adr/adr2009/09ContentsE.html">www.unece.org/trans/danger/publi/adr/adr2009/09ContentsE.html</a>.</p> <p>For classification and hazard identification numbers and other information go to: <a href="http://www.hse.gov.uk/cdg/manual/classification.htm">www.hse.gov.uk/cdg/manual/classification.htm</a>.</p> <p>Also, see ADR Hazard Identification Number and the Dangerous Goods sections in color at the end of this book.</p>
<b>ADR Hazard Identification Number (HIN)</b>	<p>(standards/shipping/hazmat) Also known as the The Kemler Code. A dangerous goods identification system that is part of the ADR (" Accord Européen Relatif au Transport International des Marchandises Dangereuses par Route," or European Agreement Concerning the International Carriage of Dangerous Goods by Road, which concerns the shipment of dangerous goods in Europe.</p> <p>The ADR HIN is incorporated on placards on tank cars and tank containers carried by road under international ADR regulations. Identification numbers are shown in such a way that the upper number indicates the type of danger and the lower number identifies the substances with the UN number as listed with the UN Recommendations on the Transport of Dangerous Goods.</p> <p>An orange blank placard without any numbers indicates vehicle carrying a dangerous load (drums, packages, etc.) or multi-load tanker.</p> <p>For the full text of the ADR go to: <a href="http://www.unece.org/trans/danger/publi/adr/adr2009/09ContentsE.html">www.unece.org/trans/danger/publi/adr/adr2009/09ContentsE.html</a>.</p> <p>For classification and hazard identification numbers and other information go to: <a href="http://www.hse.gov.uk/cdg/manual/classification.htm">www.hse.gov.uk/cdg/manual/classification.htm</a>..</p>
<b>advance against collection</b>	(banking) A short term loan or credit extended to the seller (usually the exporter) by the seller's bank once a draft has been accepted by the buyer (generally the importer) of the seller's goods. Once the buyer pays, the loan is paid off. If the buyer does not pay the draft, the seller must still make good on the loan. See bill of exchange.
<b>advance arrangements</b>	(shipping) The shipment of certain classes of commodities--examples: gold, precious gems, furs, live animals, human remains and oversized shipments--require arrangements in advance with carriers.
<b>advance fee fraud (AFF)</b>	(law) See 419 scam.
<b>advance shipment notice (ASN)</b>	(logistics) A document transmitted (by courier, fax or e-mail) to a consignee in advance of delivery detailing the contents and particulars of a shipment. The particulars may include such items as shipment date, method of transport, carrier, expected date and time of arrival and a full listing of contents.
<b>Advanced Technology Products (ATP)</b>	(U.S. trade law) About 500 of some 22,000 commodity classification codes used in reporting U.S. merchandise trade are identified as "advanced technology" codes and they meet the following criteria: (1) The code contains products whose technology is from a recognized high technology field (e.g., biotechnology); (2) These products represent leading edge technology in that field; and (3) Such products constitute a significant part of all items covered in the selected classification code.
<b>advancement of charges</b>	(shipping) A service under which a shipping line or airline, in some instances, pays incidental charges arising before or after a shipment or air haul. Examples include cartage and warehousing costs. These charges can be in advance for the convenience of either the shipper or the receiver.
<b>adventure</b>	(historic) A mercantile enterprise, undertaking, or voyage, that exposes property to maritime perils.
<b>advice</b>	(banking) The term "advice connotes several types of forms used on the banking field. Generally, an advice is a form of letter that acknowledges an activity or result with regard to a customer's relations with a bank. Examples include credit advice, debit advice, advice of payment and advice of execution. In commercial transactions, information on a business transaction such as shipment of goods.

Term	Definition
	(banking/letters of credit) The forwarding of a letter of credit, or an amendment to a letter of credit to the seller, or beneficiary of the credit, by the advising bank (seller's bank). See issuance; letter of credit; amendment.
<b>advice of fate</b>	(banking) A bank's notification of the status of a collection which is still outstanding.
<b>advised credit</b>	(banking) A letter of credit whose terms and conditions have been confirmed by a bank. See letter of credit; confirmed letter of credit.
<b>advising bank</b>	(banking) The bank (also referred to as the seller's or exporter's bank) which receives a letter of credit or amendment to a letter of credit from the issuing bank (the buyer's bank) and forwards it to the beneficiary (seller/exporter) of the credit. See letter of credit; confirming bank; issuing bank.
<b>Advisory Committee on Export Policy (ACEP)</b>	(U.S. government) A US government interagency dispute resolution body chaired by the U.S. Department of Commerce. Membership includes the Departments of Defense, Energy and State, the Arms Control and Disarmament Agency and the intelligence community. Disputes not resolved by the ACEP must be addressed by the cabinet-level Export Administration Review Board within specific time frames set forth under National Security Directive #53. See National Security Directive #53; Export Administration Review Board.
<b>Advisory Committee on Trade Policy and Negotiations (ACTPN)</b>	(U.S. government) The ACTPN is a group (membership of 45; two-year terms) appointed by the president to provide advice on matters of trade policy and related issues, including trade agreements. The 1974 Trade Act requires the ACTPN's establishment and broad representation of key economic sectors affected by trade. Below the ACTPN are seven policy committees: SPAC (Services Policy Advisory Committee), INPAC (Investment Policy Advisory Committee), IGPAC (Intergovernmental Policy Advisory Committee), IPAC (Industry Policy Advisory Committee), APAC (Agriculture Policy Advisory Committee), LPAC (Labor Policy Advisory Committee) and DPAC (Defense Policy Advisory Committee). Below the policy committees are sectoral, technical and functional advisory committees. Information is available at the Office of the U.S. Trade Representative on the web at: <a href="http://www.ustr.gov">www.ustr.gov</a> . See Industry Consultations Program.
<b>AES Direct</b>	(United States) The U.S. Census Bureau's free, Internet-based system for filing Electronic Export Information (EEI) information to the Automated Export System (AES). It can be used by U.S. Principal Parties in Interest (USPPIs), forwarders, or anyone else responsible for export reporting. For information go to <a href="http://www.aesdirect.gov">www.aesdirect.gov</a> .
<b>affiliate</b>	A business enterprise located in one country which is directly or indirectly owned or controlled by a person of another country.  (U.S.) A business enterprise located in one country which is directly or indirectly owned or controlled by a person of another country to the extent of 10 percent or more of its voting securities for an incorporated business enterprise, or an equivalent interest for an unincorporated business enterprise, including a branch. For outward investment, the affiliate is referred to as a "foreign affiliate"; for inward investment, it is referred to as a "U.S. affiliate." See direct foreign investment; foreign direct investment in the United States; affiliated foreign group.
<b>affiliated foreign group</b>	(U.S.) An affiliated foreign group means (a) the foreign parent, (b) any foreign person, proceeding up the foreign parent's ownership chain, which owns more than 50 percent of the person below it up to and including that person which is not owned more than 50 percent by another foreign person and (c) any foreign person, proceeding down the ownership chain(s) of each of these members, which is owned more than 50 percent by the person above it. See direct foreign investment; foreign direct investment in the United States; affiliate; foreign-owned affiliate in the U.S.
<b>affreightment</b>	(shipping) A contract between a carrier and a shipper to carry goods by sea or by air. A contract of affreightment can cover a single small shipment or the hiring or chartering of an entire vessel. Bills of lading and airway bills are evidence of contract of affreightment.
<b>affreightment, contract of</b>	(shipping/law) A contract between a carrier and a shipper to carry goods by sea or by air. Bills of Lading and Airway Bills are contracts of affreightment.
<b>afghani</b>	The currency of Afghanistan. 1 Af = 100 puls.

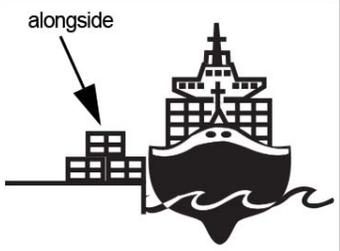
<b>Term</b>	<b>Definition</b>
<b>afloat</b>	(shipping) Refers to a shipment of cargo which is currently onboard a vessel between ports (as opposed to on land).
<b>AFRA</b>	(shipping) See Average Freight Rate Assessment.
<b>Aframax</b>	(shipping) An ocean-going crude oil tanker vessel of standard size between 80,000 and 119,000 dwt that is the largest crude oil tanker size in the AFRA (Average Freight Rate Assessment) tanker rate system.
<b>African Development Bank (AfDB)</b>	The AfDB, established in 1963, provides financing through direct loans to African member states to cover the foreign exchange costs incurred in Bank-approved development projects in those countries. Fifty-three African countries are members and ordinarily receive loans. Contact: African Development Bank, 15 Avenue du Ghana, P.O.Box 323-1002; Tunis-Belvedere, Tunisia; Tel: [216] 71 10 39 00; E-mail: <a href="mailto:afdb@afdb.org">afdb@afdb.org</a> ; Web: <a href="http://www.afdb.org">www.afdb.org</a> .
<b>African Development Foundation</b>	An independent, nonprofit U.S. government corporation established to provide financial assistance to grassroots organizations in Africa. ADF became operational in 1984. Contact: African Development Foundation; 1400 I Street NW, Suite 1000; Washington, DC 20005-2248 USA; Tel: [1] (202) 673-3916; Fax: [1] (202) 673-3810; E-mail: <a href="mailto:info@adf.gov">info@adf.gov</a> ; Web: <a href="http://www.adf.gov">www.adf.gov</a> .
<b>African Union (AU)</b>	(Formerly, the Organization of African Unity - OAU) The OAU was founded in May 1963 with 32 African countries as original members; it had 51 members in 1990. The Organization's aim was to further African unity and solidarity, to coordinate political, economic, cultural, scientific, and defense policies; and to eliminate colonialism in Africa. The OAU, after a series of initiatives in the late 1990's, launched the African Union through the Durban Summit of 2002. Contact: The African Union; PO Box 3243; W21K19 Addis Ababa, Ethiopia; Tel: [251] 11 551 77 00; Fax: [251] 11 551 78 44; Web: <a href="http://www.africa-union.org">www.africa-union.org</a> .
<b>African, Caribbean and Pacific Countries (ACP)</b>	Developing countries which are designated beneficiaries under the Lome Convention. See Lome Convention.
<b>aft</b>	(shipping) Direction toward the stern of the vessel (ship or aircraft).
<b>after date</b>	(banking) A notation used on financial instruments (such as drafts or bills of exchange) to fix the maturity date as a fixed number of days past the date of drawing of the draft. For example, if a draft stipulates "60 days after date," it means that the draft is due (payable) 60 days after the date it was drawn. This has the effect of fixing the date of maturity of the draft, independent of the date of acceptance of the draft. See acceptance; drawee; bill of exchange.
<b>after sight</b>	(banking) A notation on a draft that indicates that payment is due a fixed number of days after the draft has been presented to the drawee. For example, "30 days after sight" means that the drawee has 30 days from the date of presentation of the draft to make payment. See acceptance; drawee; bill of exchange.
<b>aftermarket</b>	(commerce) (a) The market for replacement parts, accessories and consumable supplies used in the repair, enhancement or maintenance of a product after its original sale. (b) The secondary or resale market for a product after sales of new products has ceased.  (securities) Trading activity in a security after its initial public offering (IPO).
<b>Agadir Agreement</b>	(trade agreement) The implementation of the "Agadir Declaration" for the establishment of a free trade zone between Arabic Mediterranean nations. The Agadir Agreement was signed in Rabat, Morocco on February 25, 2004. The signatories to the agreement include Jordan, Tunisia, Egypt, and Morocco. For information, go to: <a href="http://www.agadiragreement.org">www.agadiragreement.org</a> .
<b>agency</b>	(law) A relationship between one individual or legal entity (the agent) who represents, acts on behalf of, and binds another individual or legal entity (the principal) in accordance with the principal's request or instruction. In some countries, agency is more narrowly defined as a relationship created only by a written agreement or a power of attorney, entered into by a principal and a person who is designated to act for the principal within the limits of the written document creating the agency. See agent; principal; power of attorney.  (a) An express agency is established by a written or oral agreement between the parties. An express agency is created, for

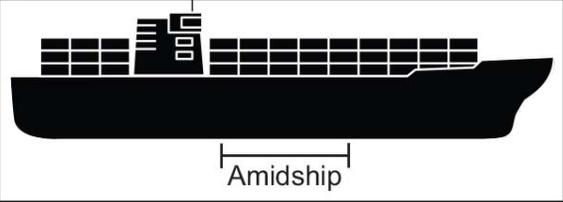
Term	Definition
	<p>example, when a seller orally contracts with a sales representative to sell products or when a company makes a written power of attorney to authorize a person to act on its behalf.</p> <p>(b) An implied agency arises as a result of the conduct of the parties. If a seller's assistant, for example, sometimes deals with customers, a court may determine from that conduct that an implied agency exists between the seller and the assistant.</p> <p>(c) An agency by estoppel is imposed by law when an agent acts without authority, but the principal leads a third person to conclude reasonably that the agent had authority and to rely on that conclusion. If a seller, for example, informs a buyer that the seller's representative is authorized to negotiate any contract terms for the seller, a court may decide that an agency by estoppel existed, that the contract should be enforced and that the seller cannot avoid performing the contract by claiming that the representative in fact had no authority.</p> <p>(d) An agency del credere arises when a principal entrusts goods, documents, or securities to an agent who has broad authority to collect from a buyer and who may be liable for ensuring that the buyer is solvent. A sales representative, for example, who is given goods and who is authorized to receive payment from buyers is an agent del credere.</p> <p>(e) An exclusive agency is an arrangement with an agent under which the principal agrees not to sell property to a purchaser found by another agent. If a seller of green and red shoes, for example, gives a sales representative an exclusive agency to sell the green shoes in a particular country, the seller is not permitted to sell those shoes through any other representative in the same country. The seller may, however, authorize other agents to sell red shoes in that country.</p> <p>(f) A universal agency authorizes the agent to do every transaction that a principal can legally delegate. A principal who will be traveling for some time may, for example, give an agent authority to deal with all business and personal transactions for the principal during that absence.</p> <p>(g) A general agency authorizes an agent to do all acts related to the principal's business, which may include negotiating contracts, establishing credit, advertising, arranging for shipping and setting up overseas offices and outlets.</p> <p>(h) A special agency gives an agent limited powers to conduct one transaction or a specific series of transactions. A contract with a representative to secure the sale of certain components to a particular factory creates a special agency. See agent; principal; power of attorney.</p>
<b>agency by estoppel</b>	See agency.
<b>agency del credere</b>	See agency.
<b>Agency for International Development</b>	(U.S. government) Formerly a unit of the now defunct United States International Development Cooperation Agency, in 1999 the AID was transferred to the Department of State and reports directly to the Secretary of State. AID administers U.S. foreign economic and humanitarian assistance programs in the developing world, Central and Eastern Europe and the Commonwealth of Independent States. Among the economic programs are those that foster employment growth and that promote use of clean and efficient energy and environmental technologies. Maintains economic, social and demographic statistics for many developing countries. AID has field missions and representatives in approximately 70 developing countries in Africa, Latin America, the Caribbean and the Near East. Contact: Agency for International Development; Ronald Reagan Building; Washington, DC 20523-1000 USA; Tel: [1] (202) 712-0000 Fax: [1] (202) 216-3524; Web: <a href="http://www.usaid.gov">www.usaid.gov</a> . See Center for Trade and Investment Services.

Term	Definition
<b>agent</b>	<p>(law) An individual or legal entity authorized to act on behalf of another individual or legal entity (the principal). An agent's authorized actions will bind the principal. A sales representative, for example, is an agent of the seller.</p> <p>(insurance) An individual who represents a single insurance company in the sale of insurance services.</p> <p>See agency; principal; power of attorney.</p>
<b>agent ad litem</b>	(shipping/law) An agent who acts on behalf of a principal in prosecuting or defending a lawsuit.
<b>agent bank</b>	(banking) (a) Bank acting for a foreign bank. (b) Bank handling administration of a loan in a syndicated credit.
<b>aggregate tender rate</b>	(shipping) A reduced rate given to a shipper who tenders two or more shipments of the same or similar class at the same time and place. See class or kind (of merchandise); tender.
<b>aggregated shipments</b>	(shipping) Numerous shipments from different shippers to one consignee that are consolidated and treated as a single consignment.
<b>agreed valuation</b>	(shipping) The value of a shipment agreed upon by the shipper and carrier to secure a specific rate and/or liability.
<b>agriculture export connections</b>	(U.S. government) The U.S. Foreign Agriculture Service through AgExport Connections (formerly Agriculture Information and Marketing Services) provides services designed to help U.S. exporters of agricultural products make direct contact with foreign buyers. Services include: Buyer Alerts, Trade Leads, Foreign Buyer List, U.S. Suppliers List and others. Contact: AgExport Connections; Foreign Agriculture Service; 1400 Independence Avenue, Ag Box 1052; Washington, DC 20250-1052 USA; Tel: [1] (202) 690-3421; Fax: [1] (202) 690-4374; Web: <a href="http://www.fas.usda.gov">www.fas.usda.gov</a> .
<b>air cargo</b>	(shipping) Any property (freight, mail, express) carried or to be carried in an aircraft. Does not include passenger baggage.
<b>air cargo loader</b>	 <p>(air freight) A motorized lift vehicle used at airports to load and unload air cargo containers (ULDs) from passenger and cargo (freighter) aircraft. Cargo loaders are characterized by a platform large enough to hold several ULDs that can be raised to the height of a cargo hold, and by motorized rollers on the platform surface upon which the ULDs are transported from the platform to the cargo hold.</p>
<b>air express</b>	(shipping) A term used to describe expedited handling of air freight service. See priority air freight; air freight.
<b>air freight</b>	(shipping) A service providing for the air transport of goods. The volume of air freight has been increasing significantly due to: (1) decreased shipping time, (2) greater inventory control for just-in-time manufacturing and stocking, (3) generally superior condition of goods upon arrival, and (4) for certain commodities, lower shipping costs.
<b>air freight forwarder</b>	(shipping) A freight forwarder for shipments by air. Air freight forwarders serve a dual role. The air freight forwarders are, to the shipper, an indirect carrier because they receive freight from various shippers under one tariff, usually consolidating the goods

Term	Definition
	into a larger unit, which is then tendered to an airline. To the airlines, the air freight forwarder is a shipper. An air freight forwarder is ordinarily classed as an indirect air carrier; however, many air freight forwarders operate their own aircraft. See freight forwarder.
<b>air parcel post</b>	(shipping) A term commonly used for priority mail which consists of first class mail weighing more than 13 ounces. Priority mail is another economical and expedited service for the shipping of parcels by air.
<b>Air Pre-Arrival Review System (AirPARS)</b>	(Canada Customs) See Pre-Arrival Review System (PARS).
<b>air waybill (airbill)</b>	<p>(shipping) A shipping document used by the airlines for air freight. It is a contract for carriage that includes carrier conditions of carriage including such items as limits of liability and claims procedures. The air waybill also contains shipping instructions to airlines, a description of the commodity and applicable transportation charges. Air waybills are used by many truckers as through documents for coordinated air/truck service.</p> <p>Air waybills are not negotiable. The airline industry has adopted a standard formatted air waybill that accommodates both domestic and international traffic. The standard document was designed to enhance the application of modern computerized systems to air freight processing for both the carrier and the shipper. See bill of lading; negotiable.</p>
<b>airbill</b>	See air waybill.
<b>aircraft pallet</b>	<div data-bbox="499 667 800 841" data-label="Image"> </div> <p>(shipping) A platform or pallet (in air freight usually from 3/4" to 2" thick) upon which a unitized shipment rests or on which goods are assembled and secured before being loaded as a unit onto an aircraft. Most carriers offer container discounts for palletized loads.</p> <p>Palletization results in more efficient use of space aboard freighter aircraft and better cargo handling, particularly when used as part of mechanized systems employing such other advances as pallet loaders and pallet transporters. The pallet loader is a device employing one or more vertical lift platforms for the mechanical loading or unloading of palletized freight at planeside.</p> <p>The pallet transporter is a vehicle for the movement of loaded pallets between the aircraft and the freight terminal or truck dock. Sometimes the functions of both the pallet loader and pallet transporter are combined into a single vehicle. See pallet.</p>
<b>Airmail</b>	(shipping) The term "airmail" as a class of mail is used only in international postal service. Within the United States, the U.S. Postal Service moves all first class mail, priority mail and express mail by air where doing so will expedite delivery.
<b>Airport</b>	(transportation) An area where aircraft can take off and land. Modern international airports have multiple surfaced runways, control tower(s), passenger facilities, hangars, cargo facilities, aircraft service facilities, fuel depots, and good access to surface transportation, including roads, trains, subway systems, and sometimes seaports.
<b>airport mail facility (AMF)</b>	(shipping) A U.S. Postal Service facility located on or adjacent to an airport. AMFs are primarily engaged in the dispatch, receipt and transfer of mail directly with air carriers.
<b>airworthiness certification</b>	(shipping) Documentation to show that an aircraft or components comply with all the airworthiness requirements related to its use as laid down by the regulatory authorities for the country in which the aircraft is registered.

<b>Term</b>	<b>Definition</b>
<b>Aksjeselskap (A/S)</b>	(Norway) Designation for a joint stock company with limited personal liability to shareholders. See Business Entities Appendix.
<b>Aktiebolag (AB)</b>	(Finland, Sweden) Designation for a joint stock company with limited personal liability to shareholders. See Business Entities Appendix.
<b>Aktiengesellschaft (AG)</b>	(Austria, Germany, Switzerland, Liechtenstein) Designation for a joint stock company with limited personal liability to shareholders. See Business Entities Appendix.
<b>Aktieselskab (A/S)</b>	(Denmark) Designation for a joint stock company with limited personal liability to shareholders.
<b>Alcohol, Tobacco and Firearms (ATF)</b>	See Bureau of Alcohol, Tobacco and Firearms.
<b>Alienable</b>	(law) The capacity to be transferred or conveyed. Interests in real or personal property, for example, are alienable.
<b>Aliquot</b>	(law) A fractional share. A court, for example, may award damages aliquot against several parties who breached a contract, meaning that each must pay a proportionate share of the damages. Aliquot liability differs from joint and several liability, in that the latter refers to whether the breaching parties may be sued and held liable together or individually. See joint and several liability.
<b>all risk</b>	<p>(insurance) Extensive insurance coverage of cargo, including coverage due to external causes such as fire, collision, pilferage etc., but usually excluding "special" risks such as those resulting from acts of war, labor strikes, the perishing of goods, and from internal damage due to faulty packaging, decay or loss of market.</p> <p>All risk insurance covers only physical loss or damage from external cause(s) and specifically affirms the exclusion of war risks and strikes and riots unless covered by endorsement. These losses are excluded, either by expressed exclusions, conditions or warranties written into the policy or by implied conditions or warranties that are read into every marine policy by legal interpretation.</p> <p>An "all risks" policy may expressly exclude certain types of damage such as marring and scratching of unboxed automobiles or bending and twisting entirely or unless amounting to a specified percentage or amount.</p> <p>Also, certain perils such as war and strikes, riots and civil commotions are commonly excluded, but these perils can be and usually are reinstated, at least in part, by special endorsement or by a separate policy.</p> <p>The "all risk" clause is a logical extension of the broader forms of "with average" coverage. The all risk clause generally reads:</p> <p>"To cover against all risks of physical loss or damage from any external cause irrespective of percentage, but excluding, nevertheless, the risk of war, strikes, riots, seizure, detention and other risks excluded by the F.C.&amp;S. (Free of Capture and Seizure) Warranty and the S.R.&amp;C.C. (Strikes, Riots and Civil Commotion) Warranty in this policy, excepting to the extent that such risks are specifically covered by endorsement."</p> <p>(air shipments) All risk insurance of air shipments usually excludes loss due to cold or changes in atmospheric pressure. See average; with average; free of particular average; inherent vice, war risk; strikes, riots and civil commotion.</p>
<b>Allowance</b>	An amount paid or credited by a seller as a refund or reimbursement due to any one of a number of causes including: faulty packaging, shipment of goods which do not meet buyer's specifications, a late shipment, etc.

Term	Definition
<b>alongside</b>	 <p>(shipping) A phrase referring to the side of a ship. (a) Goods to be delivered "alongside" are to be placed on the dock or lighter within reach of the transport ship's tackle so that they can be loaded aboard the ship. (b) Goods delivered to the port of embarkation, but without loading fees.</p>
<b>Alternative Marine Power (AMP)</b>	See cold ironing.
<b>alternative tariff</b>	(shipping) A tariff containing two or more rates from and to the same points, on the same goods, with authority to use the one which produces the lowest charge.
<b>amendment</b>	<p>(law/general) An addition, deletion, or change in a legal document.</p> <p>(banking/letters of credit) A change in the terms and conditions of a letter of credit (e.g., extension of the letter of credit's validity period, shipping deadline, etc.), usually to meet the needs of the seller. The seller requests an amendment of the buyer who, if he agrees, instructs his bank (the issuing bank) to issue the amendment. The issuing bank informs the seller's bank (the advising bank) who then notifies the seller of the amendment. In the case of irrevocable letters of credit, amendments may only be made with the agreement of all parties to the transaction. See letter of credit.</p>
<b>American Arbitration Association</b>	 <p>A private not-for-profit organization formed in 1926 to encourage the use of arbitration in the settlement of disputes. Contact: American Arbitration Association; 1633 Broadway, Floor 10; New York, New York 10019; Tel: [1] (212) 716-5800; Fax: [1] (212) 716-5905; Web: www.adr.org. See arbitration.</p>
<b>American Association of Exporters and Importers</b>	 <p>(trade association) The premier US-based trade association representing those immediately engaged in and directly impacted by developments pertaining to international trade. The AAEI is both an advocacy and support organization for open trade worldwide. The organization supports members in four core areas: compliance, facilitation, safety, and security through seminars, webinars, and conferences. Contact: American Association of Exporters and Importers; 1050 17th Street, NW, Suite 810; Washington, DC 20036; Tel: [1] (202) 857-8009; Fax: [1] (202) 857-7843; Web: www.aaei.org.</p>
<b>American Institute in Taiwan</b>	A nonprofit corporation that represents U.S. interests in Taiwan in lieu of an embassy. In 1979, the United States terminated formal diplomatic relations with Taiwan when it recognized the People's Republic of China as the sole legal government of Taiwan. The AIT was authorized to continue commercial, cultural and other relations between the U.S. and Taiwan. Contact:

Term	Definition
	American Institute in Taiwan; 7, Section 3, Lane 134, Hsin Yi Road; Taipei, 10659, Taiwan; Tel: [886] (2) 2162-2000; Web: <a href="http://ait.org.tw">http://ait.org.tw</a> .
<b>American National Standards</b>	A set of product standards established by the American National Standards Institute (ANSI). See American National Standards Institute. See International Standards Organization.
<b>American National Standards Institute (ANSI)</b>	 <p data-bbox="489 467 2007 623">An organization that develops and publishes a set of voluntary product standards called the American National Standards. In addition to product standards, ANSI publishes a guide to unit-load and transportation package sizes for containers. ANSI is also an influential member of the ISO (International Standards Organization). American National Standards Institute; 25 West 43rd Street; New York, NY 10036 USA; Tel: [1] (212) 642-4900; Fax: [1] (212) 398-0023; E-mail: <a href="mailto:info@ansi.org">info@ansi.org</a>; Web: <a href="http://www.ansi.org">www.ansi.org</a>. See International Standards Organization.</p>
<b>American option</b>	(banking/foreign exchange) A foreign exchange option containing a provision to the effect that it can be exercised at any time between the date of writing and the expiration date. See European option.
<b>American Traders Index (ATI)</b>	A compilation of individual U.S. & Foreign Commercial Service (US&FCS) domestic client files, for use by overseas posts to generate mailing lists. See United States and Foreign Commercial Service.
<b>Americas Counter Smuggling Initiative (ACSI)</b>	(United States) A U.S. Customs and Border Protection (CBP) program established in 1998 to build upon the success of the Carrier Initiative Program (CIP) and the Business Anti-Smuggling Coalition (BASC) by strengthening and expanding anti-narcotics and anti-terrorism security programs with industry and government. ACSI is made up of teams of CBP inspectors and agents detailed to assist businesses in developing security programs and initiatives that safeguard legitimate shipments from being used as vehicles for drug smuggling or terrorist actions. The target countries are the same as those where BASC chapters exist. The ACSI teams travel to each target country approximately four times a year to provide hands-on training and site surveys to BASC members in the trade industry. For information about the CBP Industry Partnership Programs, go to: <a href="http://www.cbp.gov">www.cbp.gov</a> .
<b>amidships</b>	 <p data-bbox="489 1263 2007 1325">(shipping) At or in the middle of a vessel. Because a ship's movement is less in the middle of the vessel, shippers will sometimes specify that fragile freight be placed amidships.</p>
<b>amortization</b>	(banking) (a) The gradual extinguishment of any amount over a period of time (e.g., the retirement of a debt). (b) A reduction of the book value of a fixed asset.
<b>analysis certificate</b>	See certificate of analysis.
<b>ancillary</b>	(logistics) Supplemental or additional. For example, an ancillary charge.

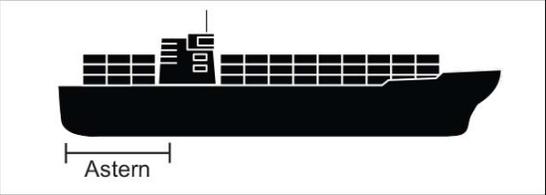
Term	Definition
<b>ancillary equipment</b>	(shipping) Equipment used to build up a palletized load or to convey a unit load device outside an aircraft. See aircraft pallet.
<b>Andean Group</b>	An alliance of Latin American countries formed in 1969 to promote regional economic integration among medium-sized countries. Members include Bolivia, Colombia, Ecuador, Peru and Venezuela. Contact: Andean Group; Paseo de la República 3895, esq. Aramburú, San Isidro, Lima 27 - PERU; Tel: [511] 710 6400; Fax: [511] 221-3329; E-mail: contacto@comunidadandina.org; Web: www.comunidadandina.org.
<b>Andean Trade Initiative (ATI)</b>	(obsolete) A former U.S. government initiative providing for assistance for alternative economic development to the drug producing countries of Bolivia, Colombia, Ecuador and Peru. The program provided ten years of duty-free treatment for most goods produced in one or a combination of these four countries.
<b>Animal and Plant Health Inspection Service (APHIS)</b>	(U.S. government) A U.S. government agency attached to the U.S. Department of Agriculture which has the responsibility of inspecting and certifying animals, plants and related products for import to or export from the United States. APHIS is also responsible for the inspection of animal and plant product processing facilities both in the United States and in countries that export to the United States. Contact: U.S. Department of Agriculture; Animal and Plant Health Inspection Service; 4700 River Road, Unit 84; Riverdale, MD 20737-1234 USA; Tel: [1] (301) 734-7833; Web: www.aphis.usda.gov. See phytosanitary inspection certificate.
<b>animal containers</b>	<div data-bbox="506 602 793 894" data-label="Image"> </div> <p data-bbox="489 943 2005 998">(shipping) The use of air freight as a means of transporting household pets led to the development of special containers designed to provide adequate protection and air circulation. Such containers may be purchased or rented from many air carriers.</p>
<b>animal health certificate</b>	A document provided by a government or non-government certifying authority stating that an animal or animals have been visually or comprehensively tested and have been found free of evidence of disease and pests except as noted. Animal health certificates are usually required for the importation or exportation of animals (pets, zoo animals, circus animals, food animals, breeding stock, etc.).
<b>annual basis</b>	(accounting) Statistical shifting of data that are for a period less than 12 months in order to estimate the full results for an entire year. To be accurate the processing should consider the effect of the seasonal variation.
<b>ANSI</b>	See American National Standards Institute.
<b>ANSI 12</b>	(logistics/data interchange) The most widely accepted standards for EDI (Electronic Data Interchange) in the United States. See American National Standards Institute, EDI, UN/EDIFACT.
<b>antidumping</b>	(customs) Antidumping, as a reference to the system of laws to remedy dumping, is defined as the converse of dumping. See dumping; antidumping duties; General Agreement on Tariffs and Trade; Antidumping Act of 1974.
<b>Antidumping Act of 1974</b>	(U.S. law) Legislation designed to prevent the sales of goods at a lower price than exists in the goods' country or origin. The U.S. Treasury Department determines whether imported products are being sold at a "less than fair value" in the United States.

<b>Term</b>	<b>Definition</b>
	Should it be determined that the domestic industry is harmed by the imports, extra duties can be imposed. See countervailing duties; dumping.
<b>antidumping duty (“ADD”)</b>	(customs) Duty assessed on imported merchandise of a class or kind that is sold at a price less than the fair market value. Fair market value of merchandise is defined as the price at which it is normally sold in the manufacturer's home market. See dumping; countervailing duties.
<b>antidumping duty deposit</b>	(U.S. Customs) A cash deposit of estimated antidumping duties collected by U.S. Customs and Border Protection (CBP) at the time new customs entries are made for imports of products from countries for which the U.S. International Trade Administration (ITA) has issued an antidumping duty order. The actual amount of duty paid is determined at liquidation. See antidumping duty, liquidation.
<b>antidumping petition</b>	(customs) A claim filed on behalf of a U.S. industry alleging that imported merchandise is being sold in the United States at "less than fair value," and that sales of such merchandise is causing or threatening injury to, or retarding the establishment of a U.S. industry. See dumping; countervailing duties.
<b>Antidumping/Countervailing Duty System (“ADD/CVD”)</b>	(U.S. Customs) A part of the U.S. Customs' Automated Commercial System, containing a case reference database and a statistical reporting system to capture data for International Trade Commission reports on antidumping and countervailing duties assessed and paid. See dumping; countervailing duties.
<b>any quantity</b>	(shipping) A cargo rating that applies to an article regardless of weight (i.e., in any quantity).
<b>apparent good order and condition</b>	(shipping) A statement, on a bill of lading or other shipping document, indicating that the shipment is available for shipment or delivery with no apparent damage.
<b>appraiser, customs</b>	(U.S. Customs) An individual authorized by U.S. Customs & Border Protection (Department of Homeland Security) to examine and determine the value of imported merchandise.
<b>appreciation</b>	(foreign exchange) An increase in the value of the currency of one nation in relation to the currency of another nation.
<b>approval basis</b>	(banking/letters of credit) If documents containing discrepancies are presented to the nominated bank under a letter of credit, the bank can forward the documents to the issuing bank for approval, with the beneficiary's agreement. Because of the risk of loss in transit and delays resulting in interest loss, however, it is recommended that the beneficiary first try to correct the documents; but, if that is not possible, the beneficiary asks the nominated bank to contact the issuing bank for authorization to accept the discrepancies.
<b>approved merchandise</b>	(shipping/insurance) Goods that are not particularly susceptible to loss, either by reason of their nature or because they are well packed. This term embraces practically all manufactured articles or new merchandise.
<b>approximately</b>	See about.
<b>appurtenance</b>	(law) An accessory that is connected to primary property, that is adapted to be used with that property and that generally is intended to be permanently affixed to that property. Appurtenances to a ship, for example, may include cranes attached to the ship for loading and unloading cargo. An easement for access to land is considered an appurtenance to that land. Industrial machinery that is affixed to a factory facility is an appurtenance to the building.
<b>apron</b>	(shipping) The area of an airport where aircraft are parked for loading and unloading of cargo or passengers.
<b>Arab League (League of Arab States)</b>	A regional alliance established in March 1945 which aims to improve relations among Arab nations. Headquarters are located in Cairo, Egypt. Members include: Algeria, Bahrain, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Qatar, Saudi Arabia, Somalia, Sudan, Syria, Tunisia, United Arab Emirates and Yemen. Contact: Arab League; P.O. Box 11642; Tahrir Square; Cairo, Egypt; Tel: [20] (2) 575-0511; Fax: [20] (2) 574-0331; Web: <a href="http://www.arableagueonline.org">www.arableagueonline.org</a> .
<b>Arab Maghreb Union (AMU)</b>	A regional alliance established in February 1989 with the goal of joining the Gulf Cooperation Council and other states in a common market. AMU members include: Algeria, Morocco, Tunisia, Libya and Mauritania. Contact: Union du Maghreb Arabe;

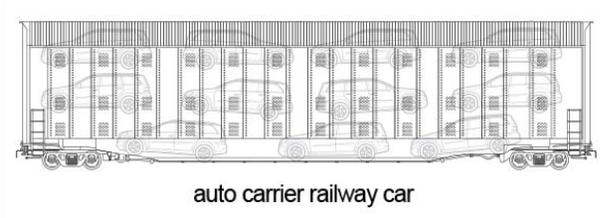
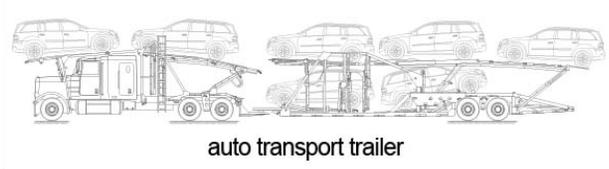
Term	Definition
	73, Rue Tensift Agdal; Rabat, Morocco; Tel: [212] 37 68 13 71; Fax: [212] 37 68 13 77; E-mail: Sg.uma@maghrebarabe.org; Web: www.maghrebarabe.org/en.
<b>arbiter</b>	See arbitration.
<b>arbitrage</b>	(banking/finance/foreign exchange) The simultaneous buying and selling (or borrowing and lending) of identical securities, currencies, or commodities in two or more markets in order to take advantage of price differentials. See hedging.
<b>arbitrage, space</b>	(banking/finance/foreign exchange) The simultaneous buying and selling (or borrowing and lending) of identical securities, currencies, or commodities in two or more locations in order to take advantage of price differentials.
<b>arbitrage, time</b>	(banking/finance/foreign exchange) The simultaneous buying and selling (or borrowing and lending) of identical securities, currencies, or options at different maturity dates in order to take advantage of price differentials.
<b>arbitrageur</b>	(finance) A person systematically engaged in arbitrage dealing.
<b>arbitration</b>	(law) The resolution of a dispute between two parties through a voluntary or contractually required hearing and determination by an impartial third party. The impartial third party is called the arbiter or arbitrator and is chosen by a higher or disinterested body, or by the two parties in dispute. In the United States, the main arbitration body is the American Arbitration Association; 1633 Broadway, Floor 10; New York, New York 10019; Tel: [1] (212) 716-5800; Fax: [1] (212) 716-5905; E-mail: Websitemail@adr.org; Web: www.adr.org. Internationally, the main arbitration body is the International Chamber of Commerce (ICC); 38 Cours Albert 1er; 75008 Paris, France; Tel: [33] 49-53-28-28; Fax: [33] 49-53-28-59; Web: www.iccwbo.org. For the U.S. representative of the ICC, contact: U.S. Council for International Business; 1212 Avenue of the Americas; New York, NY 10036 USA; Tel: [1] (212) 354-4480; Fax: [1] (212) 575-0327; E-mail: info@uscib.org; Web: www.uscib.org. See arbitration clause; American Arbitration Association; International Chamber of Commerce.
<b>arbitration clause</b>	(law) A contract clause included in many international contracts stating for example:  "Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof." See arbitration; American Arbitration Association; International Chamber of Commerce.
<b>area code</b>	(shipping) A one-digit code that specifies the location of an ocean cargo container. The ten codes are:  0 - Unreported  Unreported  1 - Great Lakes/U.S. East Coast  Great Lakes/USEC  2 - U.S. Gulf/North Coast South America  US Gulf/NCSA  3 - North Pacific/West Coast South America  North Pacific/WCSA

Term	Definition
	<p>4 - East Coast South America/West Africa ECSA/WAfrica</p> <p>5 - UK/Continent/Scandinavia UK/Cont/Scandinavia</p> <p>6 - Mediterranean/Black Sea Med/Black Sea</p> <p>7 - Arabian Gulf/South Africa/India (Including Middle East Gulf) AG/South Africa/India</p> <p>8 - Indonesia/Australasia Indonesia/Australasia</p> <p>9 - Far East Far East.</p>
<b>Arms Control and Disarmament Agency</b>	(U.S.) An independent agency within the U.S. State Department which reviews dual-use license applications from a nonproliferation perspective--anything that could impact on the proliferation of missiles, chemical and biological weapons, and nuclear weapons. The agency was created in 1961, has about 200 to 250 staff and has a fairly substantial and growing technology transfer and export control function. The director is the principal arms control adviser to the secretary of state, the president and the NSC on: conventional arms transfer; commercial sales of munitions; nuclear, missile, chemical and biological warfare; East-West military munitions issues; and negotiating Memorandums of Understanding (MOUs) with the Third World on strategic trade. Contact at: U.S. Arms Control & Disarmament Agency; 320 21st St. NW; Washington, D.C. 20451; Tel: [1] (800) 581-ACDA; Fax: (202) 647-6928; Web: <a href="http://dosfan.lib.uic.edu/acda">http://dosfan.lib.uic.edu/acda</a> . See United States Department of State.
<b>arrival notice</b>	(shipping) A notice furnished to consignee and shipping broker alerting them to the projected arrival of freight and availability of freight for pickup.
<b>arrivals</b>	(customs) Imported goods which have been placed in a bonded warehouse for which duty has not been paid.
<b>articles of extraordinary value (AEV)</b>	(shipping) Commodities identified as high value items, requiring special care in shipping.
<b>articulated lorry</b>	(UK) British term for a truck with trailer or semi-trailer.
<b>as is</b>	(business) A term indicating that goods offered for sale are without warranty or guarantee. The purchaser has no recourse to the vendor for quality or condition of the goods.
<b>as is, where is</b>	(business) A term indicating that goods are offered for sale without warranty or guarantee in their current location. The purchaser has no recourse to the vendor for quality or condition of the goods.

<b>Term</b>	<b>Definition</b>
<b>Asia Pacific Economic Cooperation (APEC)</b>	An informal grouping of Asia Pacific countries that provides a forum for ministerial level discussion of a broad range of economic issues. APEC includes the six ASEAN countries (Brunei, Indonesia, Malaysia, Philippines, Singapore and Thailand), plus: Australia, Canada, China, Hong Kong, Japan, South Korea, Taiwan and the United States. The Secretariat is located in Singapore. Contact at: APEC Secretariat; 35 Heng Mui Keng Terrace; Singapore 119616; Tel: (65) 68 919 600; Fax: (65) 68 919 690; E-mail: info@apec.org; Web: www.apec.org.
<b>Asian Development Bank (ADB)</b>	The ADB was formed in 1966 to foster economic growth and cooperation in Asia and to help accelerate economic development of members. Contact: Asian Development Bank; 6 ADB Avenue; Mandaluyong City 1550, Metro Manila, Philippines; Tel: [632] 632 4444; Fax: [632] 636 2444; Email: information@adb.org. Web: www.adb.org.
<b>ask(ed) price; market price</b>	(finance) The price at which a security or commodity is quoted or offered for sale.
<b>assailing thieves</b>	(insurance) A reference to an insurance policy clause covering the forcible taking rather than the clandestine theft or mere pilferage of goods.
<b>assembly service</b>	(shipping) A service under which an airline assembles shipments from many shippers and transports them as one shipment to one receiver.
<b>assessment</b>	(customs) The imposition of antidumping duties on imported merchandise. See dumping; antidumping duties; countervailing duties.
<b>assign</b>	(law) To transfer or make over to another party.
<b>assignee</b>	(law) One to whom a right or property is transferred. See assignor; assignment.
<b>assignment</b>	(law/shipping/banking) The transfer of rights, title, interest and benefits of a contract or financial instrument to a third party.  (banking/letters of credit) The beneficiary of a letter of credit is entitled to assign his/her claims to any of the proceeds that he/she may be entitled to, or portions thereof, to a third party. Usually, the beneficiary informs the issuing or advising bank that his/her claims or particle claims under the letter of credit were assigned and asks the bank to advise the assignee (third party) that it has acknowledged the assignment. The validity of the assignment is not dependent on bank approval. In contrast, the transfer requires the agreement of the nominated bank. An assignment is possible regardless of whether the letter of credit is transferable. See letter of credit.
<b>assignment of proceeds</b>	See assignment.
<b>assignor</b>	(law) One by whom a right or property is transferred. See assignee; assignment.
<b>assist</b>	(U.S. Customs) Any of a number of items that an importer provides directly or indirectly, free of charge, or at a reduced cost, for use in the production or sale of merchandise for export to the United States.  Assists are computed as part of the transaction value upon which duty is charged, when the duty rate is a percentage of the value of the merchandise.  Examples of assists are: materials, components, parts and similar items incorporated in the imported merchandise; tools, dies, molds and similar items used in producing the imported merchandise; engineering, development, artwork, design work and plans and sketches that are undertaken outside the United States. Engineering is not treated as an assist if the service or work is: (1) performed by a person domiciled within the United States, (2) performed while that person is acting as an employee or agent of the buyer of the imported merchandise, and (3) incidental to other engineering, development, artwork, design work, or plans or sketches undertaken within the United States. See valuation; transaction value; deductive value; computed value.
<b>Association of Southeast Asian Nations (ASEAN)</b>	ASEAN was established in 1967 to promote political, economic and social cooperation among its five founding member countries: Indonesia, Malaysia, Philippines, Singapore, and Thailand. Brunei Darussalam joined in 1984, Viet Nam in 1995, Lao

Term	Definition
	PDR and Myanmar in 1997, and Cambodia in 1999. Contact: Association of Southeast Asian Nations; 70A Jalan Sisingamangaraja; Jakarta-12110, Indonesia; Tel: [62] (21) 726-2991; Fax: [62] (21) 739-8234; E-mail: public@aseansec.org; Web: www.aseansec.org.
<b>assumpsit</b>	<p>(law) An assumption or undertaking by one person (the promisor) to perform an act for, or to pay a sum to, another person (the promisee), often without express agreement from the promisee to perform an act or remit consideration in return. An assumpsit is created, for example, when one person employs another without any written agreement as to compensation. In such an arrangement, the law will imply a duty to pay reasonable wages. An assumpsit also arises when one person receives money that belongs to another, in which event the law implies a duty to remit the sum to the owner.</p> <p>(a) An express assumpsit is one in which the promisor states the assumption in distinct and definite language. A person who agrees to work for another on certain tasks for a specified time has made an express assumpsit.</p> <p>(b) An implied assumpsit is one in which a promise is inferred by law from the conduct of a party or the circumstances of the case. If, without any express statement, a person begins working for another who knows and does not object to that work, a court may find that an implied assumpsit has arisen.</p> <p>(c) An action in assumpsit is a court action to recover damages for breach of an oral or other informal contract. A seller who delivers goods to a buyer based on an oral contract and who does not receive payment may recover the proceeds in an action in assumpsit.</p>
<b>assurance</b>	(insurance) British term for insurance.
<b>assurance of performance</b>	(law) A declaration intended to induce one contracting party to have full confidence in the other's performance. Pledges and sureties are forms of assurances.
<b>assured</b>	(insurance) The individual, company or entity which is insured.
<b>astern</b>	 <p>(shipping) (a) Behind a ship or aircraft, (b) Toward the back of a ship or aircraft, (c) Backward, as in the movement of a ship.</p>
<b>at sight</b>	(banking) Terms of a financial instrument which is payable upon presentation or demand. A bill of exchange may be made payable, for example, at sight or after sight, which (respectively) means it is payable upon presentation or demand, or within a particular period after demand is made. See bill of exchange.
<b>at-the-money</b>	(foreign exchange/finance) A call or put option is at-the-money when the price of the underlying instrument is equivalent or very near to the strike price. See option; call option; put option.
<b>ATA Carnet</b>	(customs) ATA is the acronym for the combined French and English words "Admission Temporaire/Temporary Admission." An ATA Carnet is an international customs document which may be used for the temporary admission of certain goods into 92 participating countries and territories worldwide in lieu of the usual customs documents and without having to pay duties or value-added taxes. The carnet serves as a guarantee against the payment of customs duties and taxes (including VAT) which may become due on goods temporarily imported and not reexported. Carnets also simplify customs clearance and ensure re-entry into the originating country by acting as a "Certificate of Registration." While a Carnet acts as a "Merchandise Passport"

Term	Definition
	<p>and replaces the usual customs documents required, export licenses, quotas and visa are enforced where applicable.</p> <p>This international customs document was established by the World Customs Organization (WCO) in 1961 and replaced the ECS (Echantillons Commerciaux/Commercial Samples") Carnet that was created by a 1956 convention sponsored by the Customs Cooperation Council.</p> <p>The ATA program is administered by national chambers of commerce of participating countries that are affiliated with the Paris-based International Chamber of Commerce (ICC). The United States Council for International Business (USCIB) is the national guaranteeing association for carnets in the United States. Address: U.S. Council for International Business; 1212 Avenue of the Americas; New York, NY 10036 USA; Tel: [1] (212) 354-4480; www.uscib.org.</p> <p>Roanoke Trade Services, Inc. has been an ATA Carnet issuing office and service provider for the USCIB since 1978. For information, call 1 (800)-CARNETS or visit www.carnetonline.com. See International Chamber of Commerce, carnet, TECRO/AIT Carnet.</p>
<b>athwartships</b>	(shipping) Across a vessel from side to side.
<b>attachment</b>	(law) Legal process for seizing property before a judgment to secure the payment of damages if awarded. A party who sues for damages for breach of contract may request, for example, that the court issue an order freezing all transfers of specific property owned by the breaching party pending resolution of the dispute.
<b>attendant accompanying shipments</b>	(shipping) Sometimes attendants accompany cargo shipments as when grooms or veterinarians accompany race horses or other live animals. This service requires advance arrangements with a shipping company or airline.
<b>attorn</b>	(law) To agree to turn over or transfer money or goods to an individual or legal entity other than the party who was to originally receive them. A company that has bought out another legal entity may seek an attornment from a supplier who had an outstanding contract with the former entity, and if the supplier attorns, the company can obtain goods on the same terms as were agreed to with the former entity.
<b>attorney-in-fact</b>	(law) A person authorized to transact business generally or to perform a designated task of a nonlegal nature on behalf of another individual or legal entity. An attorney-in-fact is a type of agent. In many countries, this authority must be conferred by a written power of attorney. If a company buys goods from a foreign firm, for example, and agrees to place sufficient funds for the purchase in an escrow account, the buyer may authorize an attorney-in-fact in that foreign country to disburse the escrow funds on receiving verification from the buyer that the goods are satisfactory. A business enterprise may also authorize an attorney-in-fact to testify to facts on the company's behalf in arbitration or legal proceedings held in a foreign country. See agent; agency; power of attorney.
<b>audit</b>	<p>(general) A formal examination of records or documents--usually financial documents.</p> <p>(shipping) The formal examination of freight bills to determine their accuracy.</p>
<b>austral</b>	The former currency of Argentina. 1A=100 centavos.
<b>Australia Group (AG)</b>	An informal forum through which industrialized nations cooperate to curb proliferation of chemical and biological weapons through a supply approach. The AG's first meeting, held at the Australian Embassy in Paris in June 1986, was attended by Australia, Canada, Japan, New Zealand, the United States, and the ten member nations of the European Community. Membership has expanded to include the following: Argentina, Australia, Austria, Belgium, Bulgaria, Canada, Cyprus, Czech Republic, Denmark, Estonia, European Commission, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Latvia, Lithuania, Luxembourg, Malta, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Slovak Republic, Slovenia, South Korea, Spain, Sweden, Switzerland, Turkey, U.K., Ukraine, United States. Web: www.australiagroup.net.

Term	Definition
<b>authentication</b>	<p>(law) The act of certifying that a written document is genuine, credible, and reliable. An authentication is performed by an authorized person who attests that the document is in proper legal form and is executed by a person identified as having authority to do so. In many countries, persons authorized to authenticate documents include consulate officials, notaries public, and judicial officers.</p> <p>(computers) To verify the identity of a user, device, or other entity in a computer system. Authentication is typically a prerequisite to access resources in a system.</p>
<b>auto carrier railcar</b>	<div data-bbox="499 363 1121 591" style="text-align: center;">  <p>auto carrier railway car</p> </div> <p>(rail transportation) An enclosed or partly enclosed railroad car designed to transport motor vehicles from manufacturing plants and ocean transport facilities to regional distribution centers. Auto carrier railcars are the most efficient way to transport large numbers of automobiles long distances by land. Auto carriers feature adjustable decks that can be reconfigured as bi-level or tri-level to accommodate automotive industry model changes and different sized vehicles.</p>
<b>auto transport trailer</b>	<div data-bbox="499 735 1121 914" style="text-align: center;">  <p>auto transport trailer</p> </div> <p>(road transportation) A multi-platform truck trailer designed to transport automobiles, sport-utility vehicles, and small vans from manufacturing plants to regional distributors and seaports, and from seaports to inland distribution centers and directly to auto dealers.</p> <p>Auto transporters come in two general configurations: tractor-trailer combinations where the tractor transports up to three vehicles and the trailer transports up to six vehicles, and trailers designed to transport up to nine vehicles pulled by a standard tractor. Specially designed, two-level, covered auto transport trailers are available for the transport of high-value automobiles.</p>
<b>Automated Broker Interface (ABI)</b>	<p>(U.S. Customs) ABI, a part of U.S. Customs' Automated Commercial System, permits transmission of data pertaining to merchandise being imported into the U.S. directly to U.S. Customs. Qualified participants include customs brokers, importers, carriers, port authorities, and independent data processing companies referred to as service centers. To use ABI, send a letter of intent to the District Director of Customs or to your nearest district Customs Office. See Automated Commercial System.</p>
<b>Automated Clearinghouse (ACH)</b>	<p>(U.S. Customs) ACH is a feature of the Automated Broker Interface which is a part of Customs' Automated Commercial System. The ACH combines elements of bank lock box arrangements with electronic funds transfer services to replace cash or check for payment of estimated duties, taxes, and fees on imported merchandise. See Automated Commercial System.</p>
<b>Automated Commercial Environment (ACE)</b>	<div data-bbox="499 1341 676 1450" style="text-align: center;">  </div>

Term	Definition
	<p>(U.S. Customs) A U.S. Customs and Border Protection (CBP) modernization replacement of its Automated Commercial System (ACS). ACE provides CBP and other participating government agencies the capability to access data throughout the international supply chain to anticipate, identify, track and intercept high-risk shipments.</p> <p>ACE also revolutionizes how CBP processes goods imported into the United States by providing an integrated, fully automated information system to enable the efficient collection, processing and analysis of commercial import and export data. ACE also simplifies dealings between CBP and the trade community by automating time-consuming and labor-intensive transactions and moving goods through the ports and onto markets faster and at lower cost. It provides national processing as the CBP moves away from port by port processing. By providing the right information, tools, and foresight, ACE will also serve as a critical element for trade enforcement and in preventing cargo from becoming an instrument of terrorism.</p> <p>ACE benefits include:</p> <ul style="list-style-type: none"> <li>Enhanced border security</li> <li>Increased access to data</li> <li>Reduced paper handling</li> <li>Over 60 downloadable reports</li> <li>Increased flow of trade</li> <li>Simplified and expedited cargo release</li> <li>Periodic monthly statements</li> <li>On-line access to data</li> </ul> <p>ACE is fully compatible with Windows and accessible via the Internet. It supplants the CBP's 18-year-old Automated Commercial System (ACS), a COBOL-based import-filing system. ACS suffers frequent "brownouts" (slowdowns) because its 80s-vintage technology is swamped by the demands of today's global marketplace.</p> <p>Rather than being built on a mainframe computer like ACS is, ACE enjoys a modular structure that makes overhauling and modernization much easier.</p> <p>In addition, ACE allows customs transactions using the International Trade Data System (ITDS), a new data-collection setup that will feed into various federal agencies and is designed to eliminate redundant paperwork requirements.</p> <p>Also, thanks to ITDS, carriers will be able to file electronic manifests for the first time. That means trucks will cross the border faster -- because the information needed for their cargoes to clear customs will arrive electronically before they do. For more information, go to the CBP Web site at: <a href="http://www.cbp.gov">www.cbp.gov</a>.</p>

Term	Definition
<b>Automated Commercial System (ACS)</b>	<p>(U.S. Customs) The ACS is a joint public-private sector computerized data processing and telecommunications system linking customhouses, members of the import trade community, and other government agencies with the Customs computer.</p> <p>Trade users file import data electronically, receive needed information on cargo status, and query Customs files to prepare submissions. Duties, taxes, and fees may be paid by electronic statement, through a Treasury-approved clearinghouse bank. ACS contains the import data used by Census to prepare U.S. foreign trade statistics. ACS began operating in February 1984 and includes: (1) the Automated Broker Interface, (2) the Census Interface System, (3) the Automated Manifest Systems, (4) the Bond System, (5) the In-Bond System, (6) the Cargo Selectivity System, (7) the Line Release System, (8) the Collections System, (9) the Security System, (10) the Quota System, (11) the Entry Summary Selectivity System, (12) the Entry Summary System, (13) the Automated Information Exchange, (14) the Antidumping/Countervailing Duty System, (15) the Firms System, (16) the Liquidation System, (17) the Drawback System, (18) the Fines, Penalties, and Forfeitures System, and (19) the Protest System. For more information go to the U.S. Customs and Border Protection website at <a href="http://www.cbp.gov">www.cbp.gov</a>.</p>
<b>Automated Export System (AES)</b>	<div data-bbox="499 516 720 738" data-label="Image"> </div> <p>(U.S. Customs) The U.S. Customs and Border Protection (CBP) system for electronic filing Electronic Export Information (EEI) and ocean manifest information directly to CBP.</p> <p>The Automated Export System (AES) is a joint venture between CBP, the Foreign Trade Division of the Bureau of the Census (Commerce), the Bureau of Industry and Security (Commerce), the Directorate of Defense Trade Controls (State), other Federal agencies, and the export trade community. It is the central point through which export shipment data required by multiple agencies is filed electronically to Customs, using the efficiencies of Electronic Data Interchange (EDI). AES provides an alternative to filing paper Shipper's Export Declarations (SEDs). Export information is collected electronically and edited immediately, and errors are detected and corrected at the time of filing. AES is a nationwide system operational at all ports and for all methods of transportation. It was designed to assure compliance with and enforcement of laws relating to exporting, improve trade statistics, reduce duplicate reporting to multiple agencies, and improve customer service.</p> <p>For complete information on how to participate, software options and more, go to: <a href="http://www.cbp.gov/xp/cgov/trade/automated/aes/easy_steps.xml">www.cbp.gov/xp/cgov/trade/automated/aes/easy_steps.xml</a>. For information about AESDirect, the free internet application supported by the U.S. Census Bureau, go to: <a href="http://www.aesdirect.gov">www.aesdirect.gov</a>. See AESDirect.</p>
<b>automated guided vehicle system (AGVS)</b>	<p>(logistics) A materials handling system that utilizes computer-controlled, battery-powered, driverless vehicles that move along guided paths. These systems are utilized in manufacturing plants and warehouses, may be automatically or manually loaded and unloaded and are designed for applications with load capacities ranging from 20 to 120,000 kilograms (10-55,000 pounds). For example, a manufacturing plant might utilize an AGVS with an automated storage and retrieval system (ASRS) to automatically retrieve component parts from a warehouse just as they are needed for assembly on the shop floor. See automated storage and retrieval system (ASRS).</p>

<b>Term</b>	<b>Definition</b>
<b>Automated Information Exchange (AIES)</b>	(U.S. Customs) AIES, a part of Customs' Automated Commercial System, allows for exchange of classification and value information between field units and headquarters. See Automated Commercial System.
<b>Automated Manifest Systems (AMS)</b>	(U.S. Customs) AMS, a part of Customs' Automated Commercial System (ACS), controls imported merchandise from the time a carrier's cargo manifest is electronically transmitted to Customs until control is relinquished to another segment of the ACS. See Automated Commercial System.
<b>automated storage and retrieval system (ASRS or AS/RS)</b>	(logistics) A computer-controlled robotic storage, retrieval and shipment system used in manufacturing plants and warehouses for materials, component parts and finished products. These systems utilize specially designed automated guided vehicles, computer-controlled guideways and storage bin and rack systems. Advanced systems are capable of delivering materials and component parts to the shop floor, loading robotic manufacturing equipment, taking finished or partially finished goods to storage and delivering goods to a loading dock.
<b>Automated Targeting System</b>	(United States) A U.S. Customs and Border Protection program designed to assist Customs officers in identifying imports which pose a high risk of containing narcotics, terrorist weapons, and other contraband. The system standardizes bill-of-lading, entry, and entry summary data received from the Automated Commercial System (ACS) and creates integrated records called "shipments". These shipments are evaluated and scored through the use of over 300 weighted rules derived from targeting methods used by experienced Customs personnel. The higher the score, the more the shipment warrants attention. For information go to: <a href="http://www.cbp.gov">www.cbp.gov</a> .
<b>Availability</b>	<p>(banking/letters of credit) In letters of credit, refers to the availability of documents in exchange for payment of the amount stated in the letter of credit. Availability options are:</p> <p>(1) By sight payment: payment on receipt of the documents by the issuing bank or the bank nominated in the letter of credit.</p> <p>(2) By deferred payment : payment after a period specified in the letter of credit, often calculated as number of days after the date of presentation of the documents or after the shipping date.</p> <p>(3) By acceptance: acceptance of a draft (to be presented together with other documents) by the issuing bank or by the bank nominated in the letter of credit, and the payment thereof at maturity.</p> <p>(4) By negotiation: meaning the giving of value by the nominated bank to the beneficiary for the documents presented, subject to receipt of cover from the issuing bank.</p> <p>See letter of credit; bill of exchange; negotiation.</p>
<b>Aval</b>	(banking) Payment of a bill of exchange, which is the responsibility of the drawee, can be either completely or partially guaranteed via an aval (joint and several guarantee), where the guarantor places his/her signature on the draft either alone or with corresponding explanation "per aval" or "as guarantor." If other information is lacking, the guarantor commits him/herself on behalf of the issuer. See bill of exchange.
<b>average</b>	<p>(insurance) A loss to a shipment of goods that is less than a total loss. It comes from the French word avarie, which means "damage to ship or cargo," (and ultimately from the Arabic word awarijah, which means "merchandise damaged by sea water").</p> <p>(a) A particular average is an insurance loss that affects specific interests only.</p> <p>(b) A general average is an insurance loss that affects all cargo interests on board the vessel as well as the ship herself.</p>

Term	Definition														
	See particular average; general average; with average; free of particular average; deductible average.														
<b>Average Freight Rate Assessment (AFRA)</b>	<table border="1" data-bbox="520 215 1142 578"> <thead> <tr> <th colspan="2" data-bbox="520 215 1142 261"><b>AFRA Rate Categories</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="520 261 863 305">General Purpose</td> <td data-bbox="863 261 1142 305">16,500-24,999 dwt</td> </tr> <tr> <td data-bbox="520 305 863 349">Medium Range</td> <td data-bbox="863 305 1142 349">25,000-44,900 dwt</td> </tr> <tr> <td data-bbox="520 349 863 393">Large Range 1</td> <td data-bbox="863 349 1142 393">45,000-79,999 dwt</td> </tr> <tr> <td data-bbox="520 393 863 436">Large Range 2</td> <td data-bbox="863 393 1142 436">80,000-159,999 dwt</td> </tr> <tr> <td data-bbox="520 436 863 505">VLCC Very Large Crude Carrier</td> <td data-bbox="863 436 1142 505">160,000-319,999 dwt</td> </tr> <tr> <td data-bbox="520 505 863 578">ULCC Ultra Large Crude Carrier</td> <td data-bbox="863 505 1142 578">320,000-549,999 dwt</td> </tr> </tbody> </table> <p data-bbox="489 618 2003 802">(shipping) The average transportation cost per ton for a given month for vessels in different size categories as established by the London Tanker Brokers' Panel. AFRA and its Terms of Reference were originally created by Shell Oil Company and then BP (British Petroleum) as a means of establishing internal rates for charging affiliates for the transport of crude oil and petroleum products. Shell and BP ceased their sponsorship of AFRA in 1982. Since that time the London Tanker Brokers' Panel has compiled the AFRA based upon known transportation agreements concluded on the open market. AFRA is recognized by the tax authorities of many countries for pricing of intra-company oil movements.</p>	<b>AFRA Rate Categories</b>		General Purpose	16,500-24,999 dwt	Medium Range	25,000-44,900 dwt	Large Range 1	45,000-79,999 dwt	Large Range 2	80,000-159,999 dwt	VLCC Very Large Crude Carrier	160,000-319,999 dwt	ULCC Ultra Large Crude Carrier	320,000-549,999 dwt
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<b>average inventory</b>	(logistics) (a) The average quantity or volume of an inventory item held over a specified period of time (e.g., monthly, annually). (b) The average value of an inventory item held over a specified period of time.														
<b>avoidance of contract</b>	(law) The legal cancellation of a contract because an event occurs that makes performance of the contract terms impossible or inequitable and that releases the parties from their obligations. See commercial frustration; commercial impracticability; force majeure.														
<b>avoirdupois</b>	(measure) (a) French for "having weight." (b) A system of weight measurement based on the pound of 16 ounces and the ounce of 16 drams. Refer to Weights and Measures in the Appendix.														
<b>B2B</b>	(commerce/e-commerce) Acronym for business-to-business. Commerce in goods, services, or information that takes place between business enterprises. Contrast to the exchange of goods, services, or information between businesses and private individuals (business-to-consumer or B2C). Business-to-business is a term associated with the pre-Internet "old" economy whereas B2B is a term associated with the "new" Internet economy. B2B sales on the Internet are expected to grow at a faster rate than the B2C sector.														
<b>B2C</b>	(commerce/e-commerce) Acronym for business-to-consumer. Commerce in goods, services, or information that takes place between business enterprises and private individuals. Contrast to the exchange of goods between companies (business-to-business or B2B).														
<b>back haul</b>	(logistics) (a) The return movement of a transport vehicle from its original destination to its original point of departure. (b) The load carried by a transport vehicle all or part of the way from its original destination to its original point of departure.														
<b>back order</b>	(logistics/commerce) A customer order for a material, component part or finished good that cannot be filled from current inventory.														

Term	Definition
<b>back-office outsourcing</b>	The outsourcing of a company's administrative functions such as payroll, billing, or purchasing. 'Back office' refers to the administrative functions of a business that do not involve face-to-face contact with customers. A subset of BPO (business-process outsourcing).
<b>back-to-back borrowing</b>	(banking) The process whereby a bank brings together a borrower and a lender so that they agree on a loan contract.
<b>back-to-back letter of credit</b>	(banking) A new letter of credit opened in favor of another beneficiary on the basis of an already existing, nontransferable letter of credit. For example, a British merchant agrees to buy cotton in Egypt for sale to a Belgian shirtmaker. The Belgian establishes a nontransferable letter of credit for payment to the British merchant who then uses the strength of the letter of credit as a security with his bank for opening a letter of credit to finance payment to the Egyptian. See letter of credit.
<b>back-to-back loan</b>	(banking) Operations whereby a loan is made in one currency in one country against a loan in another currency in another country (e.g., a U.S. dollar loan in the U.S. against a pounds sterling loan in the U.K.).
<b>Background Notes</b>	A series of publications by the U.S. State Department providing an overview of a country's history, people, political conditions, economy, and foreign relations. Also includes map of country and travel notes. Available from: Superintendent of Documents; U.S. Government Printing Office; Mail Stop: IDCC; 732 N. Capitol Street, NW; Washington, DC 20401; Tel: [1] (866) 512-1800, [1] (202) 512-1800; Fax: [1] (202) 512-2104; Web: www.gpoaccess.gov.
<b>backsourcing</b>	Bringing an outsourced process back in-house after it has been performed by another firm. Backsourcing can occur for a multitude of reasons: expiration of a contract, poor performance, higher than expected costs, adverse client reactions, political and/or economic instability in the vendor's country and concerns about data security, among others.
<b>bad faith</b>	(law) The intent to mislead or deceive (mala fides). It does not include misleading by an honest, inadvertent or uncalled-for misstatement.
<b>bagged cargo</b>	(shipping) Goods shipped in sacks.
<b>baht</b>	The currency of Thailand. ? 1=100 satangs.
<b>bailment</b>	<p>(law) A delivery of goods or personal property by one person (the bailor) to another (the bailee) on an express or implied contract and for a particular purpose related to the goods while in possession of the bailee, who has a duty to redeliver them to the bailor or otherwise dispose of them in accordance with the bailor's instructions once the purpose has been accomplished. A bailment arises, for example, when a seller delivers goods to a shipping company with instructions to transport them to a buyer at a certain destination.</p> <p>(a) A bailment for hire is a bailment contract in which the bailor agrees to compensate the bailee. A shipping contract is usually a bailment for hire because the shipper transports the goods for a fee. (b) A special bailment is one in which the law imposes greater duties and liabilities on the bailee than are ordinarily imposed on other bailees. Common carriers, for example, are special bailees, because the law imposes extra duties of due care with regard to the property and persons transported than are required of private carriers. See carrier.</p>
<b>baksheesh</b>	Arabic for "gift." The term has a number of meanings including charitable giving (as to a beggar in the streets), a tip (as to a waiter in a restaurant), a facilitation payment (as to a bureaucrat to process paperwork that would have eventually been processed anyway) and a bribe (as paid to a corrupt official to influence a decision). The term is widely used in the Middle East and Southwest Asia.
<b>balance of payments</b>	<p>(economics) A statement identifying all the economic and financial transactions between companies, banks, private households and public authorities of one nation with those of other nations of the world over a specific time period. A transaction is defined as the transfer of ownership of something that has an economic value measurable in monetary terms from residents of one country to residents of another.</p> <p>The transfer may involve: (1) goods, which consist of tangible and visible commodities or products; (2) services, which consist of</p>

Term	Definition
	<p>intangible economic outputs, which usually must be produced, transferred, and consumed at the same time and in the same place; (3) income on investments; and (4) financial claims on, and liabilities to, the rest of the world, including changes in a country's reserve assets held by the central monetary authorities. A transaction may also involve a gift, which is the provision by one party of something of economic value to another party without something of economic value being received in return.</p> <p>International transactions are recorded in the balance of payments on the basis of the double-entry principle used in business accounting, in which each transaction gives rise to two offsetting entries of equal value so that, in principle, the resulting credit and debit entries always balance. Transactions are generally valued at market prices and are, to the extent possible, recorded when a change of ownership occurs.</p> <p>These transactions are divided into two broad groups: current account and capital account. The current account includes exports and imports of goods, services (including investment income) and unilateral transfers. The capital account includes financial flows related to international direct investment, investment in government and private securities, international bank transactions and changes in official gold holdings and foreign exchange reserves.</p> <p>(IMF) The International Monetary Fund (IMF), which strives for international comparability, defines the balance of payments as "a statistical statement for a given period showing (1) transactions in goods, services and income between an economy and the rest of the world, (2) changes of ownership and other changes in that economy's monetary gold, special drawing rights (SDRs) and claims on and liabilities to the rest of the world, and (3) unrequited transfers and counterpart entries that are needed to balance, in the accounting sense, any entries for the foregoing transactions and changes which are not mutually offsetting."</p> <p>(U.S.) The six balances that are currently published quarterly concerning the U.S. balance of payments are:</p> <p>(1) The balance on merchandise trade, which measures the net transfer of merchandise exports and imports (which differs in some ways from the trade balance published monthly by the Bureau of the Census);</p> <p>(2) The balance on services, which measures the net transfer of services, such as travel, other transportation, and business, professional, and other technical services (this balance was redefined in 1990 to exclude investment income);</p> <p>(3) The balance on investment income, which measures the net transfer income on direct and portfolio investments;</p> <p>(4) The balance on goods, services and income, which measures the net transfer of merchandise plus services and income on direct and portfolio investment (this balance is equivalent to the pre-1990 balance on goods and services; it is also conceptually comparable to net exports of goods and services included in GNP);</p> <p>(5) The balance on unilateral transfers (net), which measures the net value of gifts, contributions, government grants to foreign countries and other unrequited transfers;</p> <p>(6) The balance on current account (widely used for analysis and forecasting), which measures transactions in goods, services, income and unilateral transfers between residents and nonresidents.</p>
<b>balance of trade</b>	(economics) The difference between a country's imports and exports over a set period. (a) A balance of trade deficit is when a country imports more than it exports. (b) A balance of trade surplus is when a country exports more than it imports.
<b>balanced economy</b>	(economics) A condition of national finances in which imports and exports are equal.

Term	Definition
<b>balboa</b>	The currency of Panama. B/.1=100 centesimos.
<b>bale</b>	(shipping) A large bundle of compressed, bound and usually wrapped goods, such as cotton.
<b>bale cargo</b>	(shipping) Bulky cargo shipped in bales, usually of burlap.
<b>ballast</b>	(shipping) Heavy material strategically placed on a ship to improve its trim or stability. In most vessels water is used as ballast.
<b>bandwidth</b>	<p>(computers/Internet) The data transmission capacity of an electric communications channel or connection. The more bandwidth, the more data can be transferred in a given period of time. Bandwidth is measured in bits per second (bps). The technical definition of bandwidth refers to the difference between the highest and lowest frequency that a connection can transmit and is measured in hertz (Hz) or cycles per second. The greater the difference between these two values the more data can be sent in a given period of time. Bandwidth differs greatly depending upon a number of factors. LANs (local area networks) as used in many office environments are much faster than WANs (wide area networks) such as dial-up modems, DSL and T1-3 lines as used in most Internet connections. The following chart gives a sampling of bandwidth for the most common network configurations.</p> <p>WAN Connections Bandwidth</p> <p>Switched Services</p> <p>Dial-up modems 9.6, 14.4, 28.8, 33.6 and 56 Kbps</p> <p>ISDN BRI 64-128 Kbps</p> <p>PRI 1.544 Mbps</p> <p>Unswitched Private Lines</p> <p>T1 1.5 Mbps</p> <p>T3 44.7 Mbps</p> <p>DSL 144 Kbps to 52 Mbps</p> <p>LAN Connections Bandwidth</p> <p>Ethernet (10 BaseT) 10 Mbps</p> <p>Fast Ethernet (100 BaseT) 100 Mbps</p> <p>Gigabit Ethernet 1,000 Mbps</p> <p>Token Ring 4, 16 Mbps</p> <p>ATM 25, 45, 155, 622, and 2,488 Mbps+.</p>

<b>Term</b>	<b>Definition</b>
<b>bank acceptance</b>	(banking) A bill of exchange drawn on or accepted by a bank to pay specific bills for one of its customers when the bill become due. Depending on the bank's creditworthiness, the acceptance becomes a financial instrument which can be discounted for immediate payment. See bill of exchange.
<b>bank affiliate export trading company</b>	(U.S.) An export trading company partially or wholly owned by a banking institution as provided under the U.S. Export Trading Company Act. See export trading company; Export Trading Company Act.
<b>bank draft</b>	(banking) A check drawn by one bank against funds deposited to its account in another bank.
<b>Bank for International Settlements (BIS)</b>	(banking) Established in 1930, this organization was designed to foster cooperation among world central banks, to seek opportunities for development of financial activity among governments and to serve as an agent involving the transfer of payments. Contact: Bank for International Settlements; Centralbahnplatz 2; CH-4002 Basel, Switzerland; Tel: [41] (61) 280-8080; Fax: [41] (61) 280-9100; E-mail: email@bis.org; Web: www.bis.org.
<b>bank guarantee</b>	(banking) Unilateral contract between a bank as guarantor and a beneficiary as warrantee in which the bank commits itself to pay a certain sum if a third party fails to perform or if any other specified event resulting in a default fails to take place. See letter of credit.
<b>bank holding company</b>	(banking) Any company which directly or indirectly owns or controls, with power to vote, more than five percent of voting shares of each of one or more other banks.
<b>bank holiday</b>	(UK) British term for a legal holiday where banks and government offices are closed.
<b>bank note</b>	(banking) Paper issued by the central bank, redeemable as money and considered to be full legal tender.
<b>bank note rate</b>	(banking/foreign exchange) Exchange rate used in bank note dealing.
<b>bank release</b>	(banking) A document issued by a bank, after it has been paid or given an acceptance, giving authority to a person to take delivery of goods.
<b>Bank Wire Service</b>	(banking) A private wire service linking over 250 banks through the facilities of Western Union. This service serves as a message system for transfer of funds and information for the member banks.
<b>banker's bank</b>	(banking) A bank that is established by mutual consent by independent and unaffiliated banks to provide a clearinghouse for financial transactions.
<b>banker's draft</b>	(banking) A draft payable on demand and drawn by, or on behalf of, a bank upon itself. A banker's draft is considered cash and cannot be returned unpaid.
<b>bankruptcy</b>	(law) (a) The status of an individual or legal entity who does not have the financial resources needed to pay debts as they come due. (b) The legal proceedings for declaring bankruptcy and discharging or restructuring debts. Laws related to these proceedings vary greatly among different countries. In the United States, bankruptcy proceedings are brought before bankruptcy courts. In some countries, a bankruptcy is dealt with through administrative agencies and a bankrupt person must first attempt to make a composition with creditors. See composition with creditors.
<b>banque d'affaires</b>	(banking) A French bank involved in long-term financing and in the ownership of companies, usually industrial firms. Synonymous with merchant bank.
<b>barcode</b>	(logistics) A series of precisely printed parallel lines and spaces of varying widths used to represent data when "read" by a barcode scanner. Barcodes are used in many applications in industry to identify products, shipping units, assets, locations and services at every stage in the logistics chain. The most commonly seen are the EAN barcodes printed on virtually every commercially distributed product in the world from books to packaged food. If you have a World Trade Press edition of this book (all are published by World Trade Press, but thousands are sold in bulk with custom covers), you will see two barcodes on the lower right corner of the back cover. The one on the left identifies the ISBN (International Standard Book Number) while the one on the right identifies the price. See barcode character, barcode scanner, European Article Number Association International (EAN).

<b>Term</b>	<b>Definition</b>
<b>barcode character</b>	(logistics) Within a barcode, a series of bars and spaces that identify a specific letter, number or other data. A series of barcode characters makes up the entire barcode. See barcode, barcode scanner.
<b>barcode scanner</b>	(logistics) A computer data input device designed to optically "read" the bars and spaces of a printed barcode and send the data to a computing device. Barcode scanners are used extensively in the entire logistics chain and can be stationary (as at most supermarket cash registers), or portable (as used by the major courier services at package pick-up). See barcode, barcode character.
<b>bareboat charter</b>	(shipping) A charter of a vessel where the charter party has the right to use his own master and crew on the vessel.
<b>barge</b>	<p>(shipping) (a) A flat-bottom marine vessel with or without propulsion, designed to carry dry or liquid bulk cargo or heavy loads, especially on inland waterways. (b) A marine vessel without propulsion, designed to carry equipment, supplies, cranes and support and accommodation bases in offshore drilling, or to lay submarine pipe. (c) A narrow, shallow-draft vessel, with or without propulsion, designed to carry cargo on canals and inland waterways. Note: small vessels with propulsion that transport cargo between ship and shore are known as lighters.</p> <p>A canal barge is designed to carry cargo on the specific canals or waterways it navigates (Mississippi River, Rhine River). At issue are the width and length of the waterway's locks (if any) and the depth of the waterway.</p> <p>Almost all barges are designed for superior cargo-carrying capacity. Freight barges can carry cargo inside the hull or on the deck. Barges are categorized by their physical size, the type of cargo they carry, and the waterways they can travel (i.e., oceans, coasts, lakes, bays, sounds, rivers).</p> <p>U.S. river barges are usually flat-bottomed, rectangular in shape, without propulsion, and pushed or pulled by powerful tugboat-type vessels. U.S. / Canada Great Lakes barges are often full-sized ships that are long and narrow and have their own propulsion. European barges are long and narrow to fit through canals and inland waterways. They are also designed to ride low in the water. These barges have special low-draft propulsion systems.</p> <p>Barges are designed to carry almost anything: crude oil, asphalt, clean oils, gasoline, chemicals, soy bean oil, corn oil, molasses, tallow, dry and dry bulk cargo (containers, lumber, steel, coal, construction equipment, grain, rice, sugar, sand, gravel, railcars, etc.).</p>
<b>barratry</b>	(shipping) The willful misconduct of ship's master or crew causing loss or damage. Barratry includes theft, intentional casting away of a vessel, or any breach of trust with dishonest intent.
<b>barter</b>	The direct exchange of goods for other goods without the use of money as a medium of exchange and without the involvement of a third party. See countertrade.
<b>Basel Convention</b>	The Basel Convention restricts trade in hazardous waste, some nonhazardous wastes, solid wastes and incinerator ash. It was adopted in 1989 by a United Nations-sponsored conference of 116 nations in Basel, Switzerland. Twenty nations must ratify the treaty before it goes into effect. Contact at: Secretariat of the Basel Convention (SBC); International Environment House; 13-15 Chemin des Anémones, Building D; 1219 Châtelaine; Geneva Switzerland; Tel: [41] (22) 917-8218; Fax: [41] (22) 797-3454; E-mail: sbc@unep.ch; Web: www.basel.int.
<b>basing point</b>	(shipping) A point (location) which is used in constructing through rates between other points.
<b>basing rate</b>	(shipping) A rate used only for the purpose of constructing other rates.
<b>basket of currencies</b>	(banking/foreign exchange) A means of establishing value for a composite unit consisting of the currencies of designated nations. Each currency is represented in proportion to its value in relation to the total. The European Currency Unit (now obsolete due to introduction of the Euro), for example, was a weighted average of the currencies of the European Community

Term	Definition																														
	member nations, used as a unit of value in transactions among businesses in the member countries. See European Currency Unit.																														
<b>battens</b>	(shipping) The protruding fixtures of the inside walls of a vessel's hold which keep cargo away from the walls of the vessel, or to fasten the cargo to the walls of the vessel.																														
<b>baud</b>	(Internet) The measurement of the transmission speed of a computer modem expressed in bits per second.																														
<b>bearer</b>	(general) The person in possession.  (banking/finance/law/shipping) A person who possesses a bearer document and who is entitled to payment of funds or transfer of title to property on presentation of the document to the payee or transferor. A buyer, for example, who presents bearer documents of title (such as a bill of lading) to a shipper that transported the goods is entitled to receive the shipment. A seller who presents to a bank a negotiable instrument, such as a check, that is payable to the bearer is entitled to payment of the funds. See bearer document; endorsement.																														
<b>bearer document</b>	(banking/finance/law/shipping) A negotiable instrument, commercial paper, document of title, or security that is issued payable or transferable on demand to the individual who holds the instrument, or one that is endorsed in blank. A bearer document authorizes the payment of funds or the transfer of property to the bearer when the bearer presents the document to the person, such as a bank or a shipper, that is holding the funds or property. See bearer; endorsement.																														
<b>bearer instrument</b>	See bearer document.																														
<b>beggar-thy-neighbor policy</b>	(economics) A course of action through which a country tries to reduce unemployment and increase domestic output by raising tariffs and instituting non-tariff barriers that impede imports, or by accomplishing the same objective through competitive devaluation. Countries that pursued such policies in the early 1930s found that other countries retaliated by raising their own barriers against imports, which, by reducing export markets, tended to worsen the economic difficulties that precipitated the initial protectionist action. The Smoot-Hawley Tariff Act of 1930 is often cited as a conspicuous example of this approach.																														
<b>Belgium, Netherlands, Luxembourg Economic Union (BENELUX)</b>	A cooperative organization formed by Belgium, The Netherlands and Luxembourg to encourage economic activity among the three nations. It has eight committees addressing such areas as economic relations, agriculture, commerce, industry, customs and social affairs. Contact: BENELUX; 39 rue de la Régence; 1000 Brussels, Belgium; Tel: [32] (2) 519-38-11; Web: <a href="http://www.benelux.be">www.benelux.be</a> .																														
<b>bell</b>	<p>A unit of time measurement traditionally used on sailing ships and equal to one-half hour. A "watch" is the standard period of time a sailor is on duty and is divided into 8 bells or 4 hours. During a watch each half hour is marked by the sounding of the bell.</p> <table border="1" data-bbox="495 1105 1528 1474"> <thead> <tr> <th colspan="3" data-bbox="495 1105 1528 1133">SHIP'S BELLS</th> </tr> <tr> <th colspan="3" data-bbox="495 1133 1528 1166">Hour (AM or PM)</th> </tr> </thead> <tbody> <tr> <td data-bbox="495 1166 758 1203">12:30</td> <td data-bbox="758 1166 974 1203">4:30</td> <td data-bbox="974 1166 1528 1203">8:30</td> </tr> <tr> <td data-bbox="495 1203 758 1240">1:00</td> <td data-bbox="758 1203 974 1240">5:00</td> <td data-bbox="974 1203 1528 1240">9:00</td> </tr> <tr> <td data-bbox="495 1240 758 1278">1:30</td> <td data-bbox="758 1240 974 1278">5:30</td> <td data-bbox="974 1240 1528 1278">9:30</td> </tr> <tr> <td data-bbox="495 1278 758 1315">2:00</td> <td data-bbox="758 1278 974 1315">6:00</td> <td data-bbox="974 1278 1528 1315">10:00</td> </tr> <tr> <td data-bbox="495 1315 758 1352">2:30</td> <td data-bbox="758 1315 974 1352">6:30</td> <td data-bbox="974 1315 1528 1352">10:30</td> </tr> <tr> <td data-bbox="495 1352 758 1390">3:00</td> <td data-bbox="758 1352 974 1390">7:00</td> <td data-bbox="974 1352 1528 1390">11:00</td> </tr> <tr> <td data-bbox="495 1390 758 1427">3:30</td> <td data-bbox="758 1390 974 1427">7:30</td> <td data-bbox="974 1390 1528 1427">11:30</td> </tr> <tr> <td data-bbox="495 1427 758 1474">4:00</td> <td data-bbox="758 1427 974 1474">8:00</td> <td data-bbox="974 1427 1528 1474">12:00</td> </tr> </tbody> </table>	SHIP'S BELLS			Hour (AM or PM)			12:30	4:30	8:30	1:00	5:00	9:00	1:30	5:30	9:30	2:00	6:00	10:00	2:30	6:30	10:30	3:00	7:00	11:00	3:30	7:30	11:30	4:00	8:00	12:00
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<b>Term</b>	<b>Definition</b>
<b>belly pits or holds</b>	(shipping) Compartments located beneath the cabin of an aircraft and used for the carriage of cargo and passenger baggage.
<b>below deck</b>	(shipping) Location below the highest deck of a ship. Cargo or containers shipped below deck are not subject to wind or rain and less susceptible to fluctuation in temperature than cargo shipped above deck. Some letters of credit and purchase contracts specifically forbid placement of cargo above deck..
<b>benchmarking</b>	(a) A structured approach for identifying the best practices from industry and government and comparing and adapting them to an organization's operations. Such an approach is aimed at identifying more efficient and effective processes for achieving intended results and suggesting ambitious goals for program output, product and service quality, and process improvement. (b) Performance comparison of organizational business processes against an internal or external standard of recognized leaders. Most often the comparison is made against a similar process in another organization that is considered "world class."
<b>beneficiary</b>	(banking/letter of credit) The individual or company in whose favor a letter of credit is opened.  (insurance) The person or legal entity named to receive the proceeds or benefits of an insurance policy.
<b>BENELUX</b>	See Belgium, Netherlands, Luxembourg Economic Union.
<b>Berne Convention for the Protection of Literary and Artistic Works</b>	Formal name: The International Union for the Protection of Literary and Artistic Works. Also called the Berne Union. A part of the World Intellectual Property Organization. An international agreement that was concluded in Berne, Switzerland, by representatives of participating countries which provides copyright, patent, trademark and other intellectual property protection to countries that are signatories to the convention. See World Intellectual Property Organization; copyright; patent; trademark; service mark.
<b>berth</b>	(shipping/logistics) (a) The place where a ship lies secured to a wharf, pier or quay and can be loaded or unloaded of its cargo. (b) The distance or space required to safely maneuver a ship. (c) The place where a truck or motor vehicle is loaded or unloaded.
<b>Besloten Vennootschap met Beperkte Aansprakelijkheid (B.V.B.A.)</b>	(Belgium/Netherlands) Designation for a private limited liability corporation with limited liability to shareholders.
<b>best practices</b>	(management) The processes, practices, and systems acknowledged as producing the best results in an industry, organization, process or sub-process. Operating using best practices is widely recognized as improving an organization's overall performance and efficiency.
<b>BIC, BIC Code</b>	See International Container Bureau (BIC).
<b>bid bond</b>	Guarantee established in connection with international tenders. Guarantees fulfillment of the offer, i.e. that the contract will be signed if awarded. See bond; tender.
<b>bilateral investment treaty (BIT)</b>	(foreign investment) A treaty between two countries with the goals of ensuring investments abroad of national or most favored nation treatment; prohibiting the imposition of performance requirements; and allowing the investor to engage top management in a foreign country without regard to nationality. BITs ensure the right to make investment-related transfers and guarantee that expropriation takes place only in accordance with accepted international law. BITs also guarantee access by an investing party to impartial and binding international arbitration for dispute settlement.
<b>bilateral steel agreements</b>	(trade agreement) Agreements between governments to reduce or eliminate state intervention--that is, domestic subsidies and market barriers, in the production and sale of steel. The U.S. has negotiated ten BSAs with major steel trading partners.
<b>bilateral trade</b>	(economics) The commerce between two countries.
<b>bilateral trade agreement</b>	A formal or informal agreement involving commerce between two countries. Such agreements sometimes list the quantities of specific goods that may be exchanged between participating countries within a given period.

Term	Definition
<b>bill</b>	<p>(law) (a) A written statement of contract terms. (b) A listing of items in a transaction or demand. (c) A promissory obligation for the payment of money. (d) An account for goods sold, services, rendered, or work completed.</p> <p>See bill of lading; bill of lading.</p>
<b>bill of adventure</b>	<p>(law) A written certificate used if goods are shipped under the name of a merchant, shipmaster, or shipowner. It certifies that the property and risk in the goods belong to a person other than the shipper and that the shipper is accountable to that other person for only the proceeds.</p>
<b>bill of credit</b>	<p>(law) A written statement, commonly used by business travelers, given by one individual or legal entity to another, to authorize the recipient to receive or collect money from a foreign correspondent, such as a bank in the recipient's country. See letter of credit.</p>
<b>bill of exchange</b>	<p>(banking) An unconditional order in writing, signed by a person (drawer) such as a buyer, and addressed to another person (drawee), typically a bank, ordering the drawee to pay a stated sum of money to yet another person (payee), often a seller, on demand or at a fixed or determinable future time.</p> <p>The most common versions of a bill of exchange are:</p> <p>(a) A draft, wherein the drawer instructs the drawee to pay a certain amount to a named person, usually in payment for the transfer of goods or services. Sight drafts are payable when presented. Time drafts (also called usance drafts) are payable at a future fixed (specific) date or determinable (30, 60, 90 days etc.) date. Time drafts are used as a financing tool (as with Documents against Acceptance, D/A terms) to give the buyer time to pay for his purchase.</p> <p>(b) A promissory note, wherein the issuer promises to pay a certain amount.</p>
<b>bill of health</b>	<p>(general) A certificate issued by port or customs authorities attesting to the health of the crew and passengers of a vessel or airplane upon arrival or departure from the port.</p> <p>(a) A clean bill of health is issued by authorities when no contagious disease(s) has been found,</p> <p>(b) A suspected bill of health is issued when no contagious disease(s) has been found, but authorities fear that one may develop, and</p> <p>(c) A foul bill of health is issued when a contagious disease has been found.</p> <p>In the cases of issuance of a suspected bill of health or a foul bill of health, the vessel, airplane, or its passengers must enter a quarantine. See quarantine.</p>
<b>bill of lading</b>	<p>(shipping) A document issued by a carrier to a shipper, signed by the captain, agent, or owner of a vessel, furnishing written evidence of receipt of the goods (cargo), the conditions on which transportation is made (contract of carriage), and the engagement to deliver goods at the prescribed port of destination to the lawful holder of the bill of lading.</p> <p>A bill of lading is, therefore, both a receipt for merchandise and a contract to deliver it as freight. There are a number of different types of bills of lading.</p> <p>(a) A straight bill of lading indicates that the shipper will deliver the goods to the consignee. The document itself does not give title to the goods (nonnegotiable). The consignee need only identify himself to claim the goods. A straight bill of lading is often</p>

Term	Definition
	<p>used when payment for the goods has been made in advance.</p> <p>(b) A shipper's order bill of lading is a title document to the goods, issued "to the order of" a party, usually the shipper, whose endorsement is required to effect its negotiation. Because it is negotiable, a shipper's order bill of lading can be bought, sold, or traded while goods are in transit and is commonly used for letter-of-credit transactions. The buyer usually needs the original or a copy as proof of ownership to take possession of the goods.</p> <p>(c) An air waybill is a form of bill of lading used for the air transport of goods and is not negotiable. See air waybill for a fuller explanation.</p> <p>(d) A clean bill of lading is a bill of lading where the carrier has noted that the merchandise has been received in apparent good condition (no apparent damage, loss, etc.) and which does not bear such notations as "Shipper's Load and Count," etc.</p> <p>(e) A claused bill of lading is a bill of lading which contains notations which specify deficient condition(s) of the goods and/or packaging.</p>
<b>bill of material (BOM)</b>	<p>(a) A structured list of all the components required to produce a product. (b) A structured list of all the raw materials, ingredients, parts, sub-assemblies, intermediates and components that go into making a parent assembly or finished product.</p> <p>A BOM will also include the quantities, qualities, source, and stock, reference or model numbers of each component required. A BOM is typically used in conjunction with a master production schedule to plan the acquisition of all required components. In specialized industries the BOM may also be called the formula, recipe or list of ingredients.</p>
<b>bill of parcels</b>	(law) A statement that lists the descriptions and prices of goods in a parcel and that is sent to the buyer with the goods. This bill is often referred to as a packing slip.
<b>bill of sale</b>	(law) A written document by which an individual or legal entity assigns or transfers title to goods to another.
<b>bill of sight</b>	(U.S. Customs) A document used by U.S. Customs that permits a consignee of goods to see them before paying duties.
<b>bill-to party</b>	(shipping) Refers to the party designated on a bill of lading as the one responsible for payment of the freight charges; this can be the shipper, freight forwarder, consignee, or another person.
<b>billed weight</b>	(shipping) The weight shown in a waybill or freight bill.
<b>billing third party</b>	(shipping) The invoicing of transportation charges to other than shipper or consignee.
<b>bimodal trailer</b>	(trucking/railroads) A semi-trailer able to function as an on-road truck trailer with pneumatic tires, or, on railroad tracks with the deployment of a steel wheel rail assembly. In some cases the road tires retract to allow the trailer chassis (container) to mount on a pair of rail bogies. Also called a road-rail trailer.
<b>Binder</b>	(insurance) A document certifying temporary insurance coverage. A binder is issued by an insurance company or its agent pending the issuance of an insurance policy.
<b>binding decisions</b>	(U.S. Customs) A binding tariff classification ruling (decision), which can be relied upon for placing or accepting orders or for making other business determinations. May be obtained by writing to a local Customs district director. The rulings will be binding at all ports of entry unless revoked by the Customs Service's Office of Regulations and Rulings. Note that while the port and district offices of Customs are, for many purposes, your best sources of information, informal information obtained on tariff classification is not binding.

<b>Term</b>	<b>Definition</b>
<b>biological agents</b>	A biologically active material. Several classes of biological agents have been identified according to their degree of pathogenic hazard, and are unilaterally controlled by various governments. In the US, applications to export certain biological agents are referred to the Department of State and the intelligence community on a case-by-case basis.
<b>biomedical materials</b>	(shipping) Items that can cause human disease (infectious/etiological agent). (UN CLASS 6) Examples are live virus vaccines and etiologic agents. Hazards/precautions are: may be ignited if carrier is flammable; contact may cause infection/disease; and damage to outer container may not affect inner container.
<b>Birr</b>	The currency of Ethiopia. 1Br (or 1E\$)=100 cents.
<b>black market</b>	Buying or selling of products and commodities, or engaging in exchange of foreign currencies in violation of government restrictions.
<b>blank back</b>	(documentation) A form that does not have the terms and conditions printed on the reverse (back) of the form. For example, a blank back bill of lading, also called a short form bill of lading, does not have the terms and conditions of carriage printed on the reverse. Instead, they are listed in another document. Unless otherwise stipulated in a letter of credit, a blank back bill of lading is acceptable in most transactions. Note that the more common term is short form.
<b>blank endorsement</b>	(law/banking/shipping) The signature or endorsement of a person or firm on any negotiable instrument (such as a check, draft or bill of lading), usually on the reverse of the document, without designating another person to whom the endorsement is made. The document therefore becomes bearer paper. In shipping, for example, the holder of a blank endorsed bill of lading can take possession of the merchandise. See endorsement; bearer document.
<b>blanket rate</b>	(shipping) (a) A rate applicable from and/or to a group of points; (b) A special single rate applicable to different articles in a single shipment.
<b>Blockade</b>	The act of preventing commercial exchange with a country or port, usually during wartime, by physically preventing carriers from entering a specific port or nation. See embargo.
<b>blocking or bracing</b>	(shipping) Wood or metal supports to keep shipments in place in or on containers.
<b>blood diamond</b>	See conflict diamond.
<b>board foot (fbm, BF, bd ft)</b>	(measurement) A unit of measurement used for lumber. One board foot is 12 inches by 12 inches by 1 inch, or one square foot of lumber one inch thick.
<b>Bogey</b>	See bogie.
<b>bogie (bogey)</b>	(trucking) An assembly of two or more axles, usually a pair in tandem, with one or two wheels attached to the end of each axle that swivel to help a truck or its trailer(s) turn on curvy roads.  (rail transport) An assembly of two or more axles, that swivel to help a rail car turn on curvy track.
<b>bolivar fuerte</b>	The currency of Venezuela. Bs.F1=100 centimos.
<b>Boliviano</b>	The currency of Bolivia. 1\$b=100 centavos.
<b>bona fide</b>	(law) In or with good faith, honesty and sincerity. A bona fide purchaser, for example, is one who buys goods for value and without knowledge of fraud or unfair dealing in the transaction. Knowledge of fraud or unfair dealing may be implied if the facts are such that the purchaser should have reasonably known that the transaction involved deceit, such as when goods that are susceptible to copyright piracy are provided without product documentation as to their origin.
<b>Bond</b>	(general) An interest-bearing certificate of debt, usually issued in series, by which the issuer obligates itself to pay the principal amount at a specified time and to pay interest periodically.  (banking) An instrument used as proof of a debt.

Term	Definition
	<p>(finance) The obligation to answer for the debt of another person.</p> <p>(insurance) A contract between a principal and a surety (insurance company or their agent) which is obtained to insure performance of an obligation (often imposed by law or regulation).</p> <p>(U.S. Customs) A bond required by the federal government in connection with the payment of duties or to produce documentation. U.S. Customs entries must be accompanied by evidence that a surety bond is posted with Customs to cover any potential duties, taxes and penalties which may accrue. Bonds may be secured through a resident U.S. surety company, but may also be posted in the form of United States money or certain United States government obligations. In the event that a customs broker is employed for the purpose of making entry, the broker may permit the use of his or her bond to provide the required coverage. See bond system; surety; in bond.</p>
<b>bond of indemnity</b>	(shipping) An agreement made with a carrier relieving it from liability for any action on its part for which it would otherwise be liable.
<b>bond system</b>	(U.S. Customs) A part of the U.S. Customs' Automated Commercial System, provides information on bond coverage. A Customs bond is a contract between a principal, usually an importer, and a surety which is obtained to insure performance of an obligation imposed by law or regulation. The bond covers potential loss of duties, taxes, and penalties for specific types of transactions. Customs is the contract beneficiary. See Automated Commercial System.
<b>Bonded</b>	(U.S. Customs) Goods stored under supervision of customs until the import duties are paid or the goods are exported.
<b>bonded carrier</b>	(a) A carrier licensed to transport goods in bond. (b) A carrier, licensed by the customs authority of a country to transport imported goods past the customs border of the country to another customs office in the same country where duties and taxes are then paid by the importer.
<b>bonded exchange</b>	(foreign exchange) Foreign exchange which cannot be freely converted into other currencies. See foreign exchange.
<b>bonded stores</b>	(customs) A place (usually a secured storeroom) on a vessel or airplane where non-customs-entered goods are placed under seal until the vessel leaves the port or country.
<b>bonded terminal</b>	(customs) An airline terminal approved by the U.S. Treasury Department for storage of goods until Customs duties are paid or the goods are otherwise properly released.
<b>bonded warehouse</b>	(U.S. Customs) A warehouse owned by persons approved by the Treasury Department, and under bond or guarantee for the strict observance of the revenue laws of the United States; utilized for storing goods until duties are paid or goods are otherwise properly released. Payment of customs duties is deferred until the goods enter the Customs Territory of the United States. The goods are not subject to duties if reshipped to foreign points. See bond; in bond.
<b>Booking</b>	(shipping) The act of recording arrangements for the movement of goods by vessel.
<b>Border Cargo Selectivity</b>	(United States) A program of the U.S. Customs and Border Protection (CBP) Automated Commercial System (ACS) that determines risk assessment and examination requirements for high-volume borders. The system uses the same editing process as the Cargo Selectivity system. For more information go to: <a href="http://www.cbp.gov">www.cbp.gov</a> .
<b>Bordereau</b>	<p>(insurance) (a) A method of reporting multiple shipments to an insurance company under an open insurance policy. (b) An insurance form, similar to a declaration, which provides for insurance coverage of multiple shipments within a prescribed reporting period, usually a month.</p> <p>This form calls for the name of the vessel and sailing date, points of shipment and destination, nature of commodity, the amount of insurance desired, and the number of the open policy under which the shipment is made. The bordereau form is prepared by the assured and is forwarded within a prescribed reporting period, usually monthly. The forms are forwarded to the insurance</p>

Term	Definition
	<p>agent or broker for transmission to the insurance company. The premium is billed monthly in accordance with the schedule of rates provided by the policy.</p> <p>The bordereau is generally not used in cases where evidence of insurance must be supplied to a customer, to banks or to other third parties in order to permit collection of claims abroad. This calls for a special marine policy, occasionally referred to as a certificate. The bordereau, therefore, is mainly used for import shipments, not export shipments.</p> <p>See special marine policy. See declaration.</p>
<b>Bosun</b>	(shipping) A petty officer on a merchant ship who controls or supervises the work of other seamen.
<b>bottomry, bottomage, bottomry bond</b>	<p>(insurance-historic) A loan made to a ship's owner or ship's master acting as the owner's agent, to carry on or complete a voyage, pledging the "bottom" or keel of the vessel as collateral. Such loans were often made to effect emergency repairs. If the ship was lost, the lender lost his investment; if the ship arrived safely, the lender received his principal, plus interest, often 30, 40, or 50 percent.</p> <p>An early form of bottomry was mentioned in the Code of Hammurabi (1750 BC). Bottomry bonds fell out of favor by the mid-1800s primarily because of their low priority against other liens against a vessel. While bottomry bonds used the vessel as collateral, respondentia used a ship's cargo as collateral. See also respondentia.</p>
<b>bounties or grants</b>	Payments by governments to producers of goods, often to strengthen their competitive position.
<b>Bow</b>	(shipping) The front of a vessel.
<b>Box</b>	(shipping) Colloquial term referring to a trailer, semi-trailer or container.
<b>boxcar or box car</b>	(rail transportation) A fully enclosed railroad freight car with sliding doors on one or both sides. Boxcars are the most common type of cargo railcar in use worldwide and are designed to carry boxed, crated, or palletized freight of all kinds. Common commodities transported include paper products, canned goods, and bulky freight. Box cars are available with single or double doors with plug or sliding configuration, cushioned or non-cushioned underframe, and insulated or non-insulated interior. Boxcars may also be equipped with various interior-loading devices such as belt rails or moveable bulkheads to secure loads.
<b>boycott</b>	A refusal to deal commercially or otherwise with a person, firm or country.
<b>break bulk cargo</b>	<p>Conventional, uncontainerized cargo that is shipped in units of one (such as uncontainerized machinery or trucks) or shipped in units or packages (such as palletized or boxed cargo).</p> <p>(U.S. Customs) Cargo that is not containerized and that cannot be classified as "bulk" cargo under the U.S. Customs and Border Protection definition. For example, new and used vehicles are considered break bulk cargo. Although uniform in nature, vehicles have identifying marks (such as a Vehicle Identification Number, or VIN). One necessary aspect of bulk cargo is fungibility (goods that are identical with others of the same nature). The presence of a VIN removes that component from the shipment of new or used vehicles.</p> <p>It is important to note that the difference between bulk and break bulk is based not only on the type of cargo, but also on the way in which the cargo is stowed or loaded. For example, bananas stowed loosely in a hold (not in boxes or containers) is considered bulk. Palletized boxes of bananas loaded directly into a hold (but not loose or containerized) is considered break bulk. See bulk cargo.</p>
<b>break-even point</b>	(banking/foreign exchange) The price of a financial instrument at which the option buyer recovers the premium, meaning that he makes neither a loss nor a gain. In the case of a call option, the break-even point is the exercise price plus the premium, and in the case of a put option, the exercise price minus the premium. See option; call option; put option.

<b>Term</b>	<b>Definition</b>
<b>breakage</b>	(a) A monetary allowance or credit that a manufacturer agrees to give a buyer to compensate for damage caused to goods during transit or storage. (b) A fractional amount due as part of a payment to a party, such as pennies that result from a computation of interest on a loan or deposit.
<b>breakbulk</b>	(shipping) To unload and distribute a portion or all of the contents of a consolidated shipment for delivery or reconsignment.
<b>breakbulk vessel</b>	(shipping) A general cargo vessel designed to efficiently handle breakbulk loads. Breakbulk cargo vessels are usually self-sustaining in that they have their own loading and unloading machinery.
<b>Bretton-Woods Agreement of 1944</b>	(banking/foreign exchange) Articles of agreement adopted by the international monetary conference of 44 nations which met at Bretton Woods, New Hampshire in 1944. The International Monetary Fund and the International Bank for Reconstruction and Development were created as a result of this agreement. The Fund's major responsibility was to maintain orderly currency practices in international trade, while the Bank's function was to facilitate extension of long-term investments for productive purposes.  See Bretton-Woods System; International Monetary Fund; International Bank for Reconstruction and Development.
<b>Bretton-Woods System</b>	(banking/foreign exchange) The system of fixed exchange rates with fluctuation grids, in which every member of the International Monetary Fund (IMF) set a specific parity for its currency relative to gold or the dollar, and undertook to keep fluctuations within $\pm 1\%$ of parity by central bank market interventions. This system was in operation from the end of WWII through the early 1970s. See Bretton-Woods Agreement of 1944; International Monetary Fund; International Bank for Reconstruction and Development.
<b>bribe</b>	A payment resulting in the payer's receiving some right, benefit, or preference to which he has no legal right and which he would not have obtained except with the payment of the money. A bribe is a criminal offense in most countries, but may not be a criminal offense in a home country if committed in a foreign country. See Foreign Corrupt Practices Act.
<b>BRIC</b>	(trade negotiations) Acronym for the large developing economies of Brazil, Russia, India, and China.
<b>BRICA</b>	(trade negotiations) Acronym for the large developing economies of Brazil, Russia, India, China, and Arab countries.
<b>BRICET</b>	(trade negotiations) Acronym for the large developing economies of Brazil, Russia, India, China, Eastern Europe, and Turkey.
<b>BRICS</b>	(trade negotiations) Acronym for the large developing economies of Brazil, Russia, India, China, and South Africa.
<b>BRIMC</b>	(trade negotiations) Acronym for the large developing economies of Brazil, Russia, India, Mexico, and China.
<b>British High Commission (BHC)</b>	(diplomacy) The term British High Commission (BHC, or High Commission, HC, or Her Majesty's High Commission, HMHC) is used in lieu of "embassy" in Commonwealth countries.
<b>broken cross rates; triangular arbitrage</b>	(banking/foreign exchange) A forward foreign exchange arrangement which is not for a standard maturity period. Standard periods are: 1 week; 2 weeks; 1, 2, 3, 6 and 12 months.  (banking/foreign exchange) In foreign exchange, disparity among three or more rates. In an old example: if DM 1=30 cents and FF 1.5 while FF 1=22 cents, a Deutsche mark will bring 30 cents if converted directly but 33 cents if converted first into francs and then into dollars.
<b>broker</b>	An individual or firm that acts as an intermediary, often between a buyer and seller, usually for a commission.  (a) Customs broker--An individual or firm licensed to enter and clear goods through Customs for another individual or firm. See customs broker.  (b) Insurance broker--An individual or firm which acts as an intermediary between an insurance company and the insured. Insurance brokers usually represent and sell the services of a number of insurance companies. See insurance broker.

<b>Term</b>	<b>Definition</b>
<b>brokerage license, domestic</b>	(U.S.) Authority granted by the U.S. Interstate Commerce Commission to persons to engage in the business of arranging for transportation of persons or property in interstate commerce.
<b>browser</b>	(Internet) A computer program used to access and search the Internet (World Wide Web).
<b>Brussels Tariff Nomenclature</b>	(customs) A once widely used international tariff classification system which preceded the Customs Cooperation Council Nomenclature (CCCN) and the Harmonized System Nomenclature (HS). See Harmonized Tariff Schedule; Customs Cooperation Council Nomenclature.
<b>Bubble Act of 1720</b>	(historic insurance) With the help of a £600,000 bribe to King George I, The Bubble Act of 1720 (the Royal Exchange and London Assurance Corporation Act of 1719) is passed. The act forbids the formation of any joint-stock company not authorized by Royal Charter. As a result, only the Royal Exchange Assurance Corporation and the London Assurance Corporation have charters to write marine insurance. All other marine insurance is underwritten by wealthy individuals. The Act is repealed in 1825. See Lloyd's of London.
<b>buffer stock</b>	(logistics) Raw materials, component parts or finished goods maintained in inventory specifically in anticipation of unforeseen shortages of materials or component parts or unusual demand for finished goods. The volume of buffer stock held in inventory is typically determined by such factors as order fulfillment time from the supplier, delivery time from its point of origin, the potential for problems with supply and the potential for unusual increases in demand for finished products.
<b>building society</b>	(UK) British term for a savings and loan banking institution.
<b>bulk cargo</b>	<p>Homogenous cargo that is stowed loose in the hold of a ship and is not enclosed in a shipping container or box, bale, bag, cask, or the like. Bulk cargo consists entirely of one commodity and is usually shipped without packaging. Specifically, bulk cargo is composed of either: 1) free flowing articles such as oil, grain, coal, ore, and the like which can be pumped or run through a chute or handled by dumping; or 2) uniform cargo that stows as solidly and requires mechanical handling for lading and discharging." This includes such items as coils, rails, rods, ingots, bars, plates, billets, slabs, pipes and sheets of steel or other metals; timber, lumber and paper products as a commodity; and certain perishable goods, not in boxes, bags or containerized, and not frozen, but laden and stowed in a way similar to other types of bulk cargo (includes seafood and produce). One necessary aspect of bulk cargo is fungibility (goods that are identical with others of the same nature).</p> <p>It is important to note that the difference between bulk and break bulk is based not only on the type of cargo, but also on the way in which the cargo is stowed or loaded. For example, bananas stowed loosely in a hold (not in boxes or containers) is considered bulk. Palletized boxes of bananas loaded directly into a hold (but not loose or containerized) is considered break bulk. See break bulk cargo.</p>
<b>bulk carrier</b>	(shipping) A vessel specifically designed to transport bulk cargo. There are two types of bulk carriers: those designed to transport dry bulk cargo such as grain or ore, and those designed to transport liquid bulk cargo such as oil.
<b>bulk container</b>	(shipping) An ocean or air freight container designed to ship dry bulk cargo such as malt. Bulk fluid cargo such as chemicals and fruit juices are shipped in tank containers. Bulk cargo such as ore, grain, and crude oil are generally shipped in specialized bulk cargo ships rather than in containers. Bulk ocean shipping containers are characterized by "manholes" or openings on the roof for loading the dry bulk cargo.
<b>bulk freight</b>	(shipping) Freight not in packages or containers. For example: grain, ore, timber.
<b>bulk liquids</b>	(shipping) Liquid cargo shipped in intermodal tank containers.
<b>bulk sale or transfer</b>	(law) A transfer of substantially all of the inventory or property of an enterprise to one individual or legal entity in a single transaction not in the ordinary course of the business of the enterprise. In some countries, bulk sales and transfers are regulated by law in an effort to reduce the potential for defrauding creditors through this type of transaction.
<b>bulk solids</b>	(shipping) Dry cargo shipped loose in containers.

<b>Term</b>	<b>Definition</b>
<b>Bulkhead</b>	(shipping) (a) A partition separating one part of a ship between decks from another. (b) A structure to resist the pressure of earth or water.
<b>Bundesbank</b>	(banking) Established in 1875, the central bank of Germany, located in Frankfurt.
<b>Bundling</b>	(commerce/logistics) The combining of two or more usually related products or services for sale at the same time for a single price. For example, the bundling of a computer scanner and image-manipulation software for one price.
<b>Bunker</b>	(shipping) A compartment on a ship for storage of fuel.
<b>bunker adjustment factor (BAF)</b>	(shipping) An adjustment in shipping charges to offset price fluctuations in the cost of bunker fuel.
<b>bunker charge</b>	See bunker adjustment factor.
<b>bunker fuel</b>	(shipping) The fuel used to power a ship.
<b>Bureau International des Expositions</b>	(international organization) International Bureau of Expositions. An international organization established by the Paris Convention of 1928 to regulate the conduct and scheduling of international expositions in which foreign nations are officially invited to participate. The BIE divides international expositions into different categories and types and requires each member nation to observe specified minimum time intervals in scheduling each of these categories and types of operations. Under BIE rules, member nations may not ordinarily participate in an international exposition unless the exposition has been approved by the BIE. The U.S. became a member of the BIE in April 1968. Federal participation in a recognized international exposition requires specific authorization by the Congress, based on the president's finding that participation is in the national interest. Contact at Bureau; 34, Avenue d'Iéna; 75116 Paris; Tel: [33] (45) 00 38 63; Web: <a href="http://www.bie-paris.org">www.bie-paris.org</a> .
<b>Bureau of Alcohol, Tobacco and Firearms (ATF)</b>	(U.S. government) An agency of the U.S. Department of Treasury, the ATF regulates the alcohol, firearms and explosives industry, ensures the collection of federal taxes imposed on alcohol and tobacco, investigates violations of federal firearms, explosives and tobacco laws. Contact: Bureau of Alcohol, Tobacco and Firearms; Department of the Treasury; 99 New York Ave. NE, Room 5S 144, Washington, DC 20226 USA; Tel: [1] (202) 648-8500; Web: <a href="http://www.atf.gov">www.atf.gov</a> .
<b>Bureau of Customs</b>	See United States Customs and Border Protection.
<b>Bureau of Export Administration</b>	(U.S. government) As of April 18, 2002 the Bureau of Export Administration is now called the Bureau of Industry and Security. See Bureau of Industry and Security.
<b>Bureau of Industry and Security</b>	(U.S. government) Formerly, the Bureau of Export Administration. Part of the U.S. Department of Commerce. Responsible for control of exports for reasons of national security, foreign policy and short supply. Licenses on controlled exports are issued and seminars on U.S. export regulations are held domestically and overseas. The Bureau of Industry and Security provides an Internet-based export license application program free of charge called the Simplified Network Application Process (SNAP) at Web: <a href="http://www.bis.doc.gov/snap">www.bis.doc.gov/snap</a> . Contact: Bureau of Industry and Security; 14th Street and Constitution Avenue, NW; U.S. Department of Commerce; Washington, DC 20230 USA. Web: <a href="http://www.bis.doc.gov">www.bis.doc.gov</a> .
<b>Business Anti-Smuggling Coalition (BASC)</b>	(United States) A U.S. Customs and Border Protection (CBP) program initiated in March 1996, as a business-led, CBP-supported alliance created to combat the smuggling of contraband via commercial trade. BASC was designed to complement and enhance the CIP program. The ultimate objective of BASC is to eliminate the contamination of legitimate business shipments by criminal hands. The program also provides businesses with heightened security awareness about the smuggling of contraband and other terrorist tools in the import and export communities. BASC is one of the CBP Industry Partnership Programs (IPP). For more information contact the CBP Industry Partnership Programs at [1] (202) 927-0520 or go to: <a href="http://www.cbp.gov">www.cbp.gov</a> .
<b>Business Executive Enforcement Team</b>	(U.S. government) A channel for private sector U.S. business executives to discuss export control enforcement matters with the Bureau of Export Administration. See Bureau of Export Administration. Contact: Office of Export Enforcement; 1401 Constitution Ave., Room H4514; Washington, DC 20230; Tel: (202) 482-1208; Web: <a href="http://www.bis.doc.gov/complianceandenforcement/">www.bis.doc.gov/complianceandenforcement/</a> .

Term	Definition
<b>business-process outsourcing (BPO)</b>	<p>The outsourcing of a company's entire business process to another company located domestically or in a foreign country. BPO is generally divided into two categories:</p> <p>1) back-office outsourcing, and 2) front-office outsourcing. Back-office outsourcing includes internal business functions such as payroll, billing, and purchasing. Front-office outsourcing includes customer-related functions such as technical support, marketing, and sales.</p> <p>Examples of business process outsourcing include:</p> <p>A computer printer manufacturer outsourcing maintenance, repair, and stocking of replacement parts to a third-party logistics (3PL) company</p> <p>A software maker outsourcing its entire customer support process to another company</p> <p>A company outsourcing its payroll and human resources functions to an outside firm</p> <p>Benefits of business-process outsourcing include:</p> <p>Possible lower costs</p> <p>The ability to concentrate in-house staff on core competencies</p> <p>The ability to acquire specialized skills that would be difficult to replicate within an organization.</p>
<b>Buy American acts</b>	<p>U.S. federal and state government statutes that give a preference to U.S. produced goods in government contracts. These statutes are designed to protect domestic industry and labor, but tend to increase the price paid for goods and services government agencies buy. See non-tariff barriers or measures; trade barriers.</p>
<b>buyback</b>	<p>(economics) A form of countertrade that involves the exportation of technological know-how, specialized machinery and the construction of an entire factory in exchange for a set percentage of the factory's production over a five to twenty-five year period. Buyback is also known as compensation trading. See countertrade.</p>
<b>buying rate (bid rate)</b>	<p>(banking/foreign exchange) Rate at which a bank is prepared to buy foreign exchange or to accept deposits. The opposite of selling (or asked) rate.</p>
<b>C&amp;F</b>	<p>See Cost and Freight; Incoterms.</p>
<b>cabotage</b>	<p>(shipping) Coast-wide water transportation, navigation or trade between ports of a nation. Many nations, like the U.S., have cabotage laws which require domestic owned vessels to perform domestic interport water transportation service.</p>
<b>CADEX</b>	<p>(Canada) Customs Automated Data Exchange. An electronic data interchange (EDI) system offered by the Canada Revenue Agency (CRA) allowing importers and brokers to file customs accounting documents (B3) form electronically. Information at: <a href="http://www.asfc.gc.ca/trade-commerce/tariff-tarif/2009/cadex-eng.html">www.asfc.gc.ca/trade-commerce/tariff-tarif/2009/cadex-eng.html</a>.</p>
<b>Cairns Group</b>	<p>An informal association of agricultural exporting countries established in August 1986. Members include Argentina, Australia, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Guatemala, Indonesia, Malaysia, New Zealand, Pakistan, Paraguay, the Philippines, South Africa, Thailand and Uruguay. Web: <a href="http://www.cairnsgroup.org">www.cairnsgroup.org</a>.</p>
<b>call</b>	<p>(banking) A demand of payment on a loan, often as a result of noncompliance on the part of the borrower to the terms and conditions of the loan.</p>

Term	Definition
<b>call in a contract</b>	(law) (a) Demanding payment on a contract. A seller, for example, may be entitled under the contract terms to demand payment at the time the goods are ready to ship. (b) Submitting a formal, usually written, notice to collect payment on a contract. A seller who has not received payment, for example, may send a written letter to the buyer demanding remittance of the funds owed--that is calling in the contract.
<b>call money</b>	(banking/finance/foreign exchange) Currency lent by banks on a very short-term basis, which can be called the same day, at one day's notice or at two days' notice. Called overnight money in Great Britain and Federal funds in the United States.
<b>call option</b>	(banking/finance/foreign exchange) The right (but not the obligation) to buy a fixed amount of a commodity, security or currency from the option writer (option seller) at a predetermined rate and/or exercise price within a specified time limit. See option; put option; American Option; European Option.
<b>Calvo Doctrine</b>	(foreign investment) The Calvo Doctrine (or principle) holds that jurisdiction in international investment disputes lies with the country in which the investment is located; thus, the investor has no recourse but to use the local courts. The principle, named after an Argentinian jurist, has been applied throughout Latin America and other areas of the world.
<b>Canada Border Services Agency (CBSA)</b>	<p>(Canada Customs) The CBSA was created on December 12, 2003 as part of the new portfolio of Public Safety and Emergency Preparedness, which includes emergency preparedness, crisis management, national security, corrections, policing, oversight, crime prevention, as well as border services.</p> <p>The CBSA brings together all the major players involved in facilitating legitimate cross-border traffic and supporting economic development while stopping people and goods that pose a potential risk to Canada. It integrates several key functions previously spread among three organizations: the Customs program from the Canada Customs and Revenue Agency; the Intelligence, Interdiction and Enforcement program from Citizenship and Immigration Canada; and the Import Inspection at Ports of Entry program from the Canadian Food Inspection Agency.</p> <p>The CBSA's role is to manage the nation's borders by administering and enforcing about 75 domestic laws that govern trade and travel, as well as international agreements and conventions.</p> <p>The work of the CBSA includes: processing commercial goods, travellers, and conveyances, and identifying and interdicting high-risk individuals and goods; conducting secondary inspections of food and agricultural products imported by travellers at airports; conducting intelligence, such as screening visitors and immigrants and working with law enforcement agencies to maintain border integrity and ensure national security; engaging in enforcement activities, including investigations, detentions, hearings, and removals; supporting free trade negotiations; and conducting compliance audit reviews and dumping and subsidy investigations.</p> <p>The CBSA operates at about 1,370 service points across Canada and nearly 40 locations abroad. It employs 10,000 public servants who serve some 170,000 commercial importers and more than 98 million travellers each year.</p> <p>You can find more information about the creation of the CBSA at: <a href="http://www.pm.gc.ca">www.pm.gc.ca</a>. For information about CBSA, go to: <a href="http://www.cbsa-asfc.gc.ca">www.cbsa-asfc.gc.ca</a>.</p>
<b>Canadian Commercial Corporation</b>	(Canada) The prime contractor in government-to-government sales transactions, facilitating exports of a wide range of goods and services from Canadian sources. In response to requests from foreign governments and international agencies for individual products or services, CCC identifies Canadian firms capable of meeting the customer's requirements, executes prime as well as back-to-back contracts, and follows through with contract management, inspection, acceptance, and payment. Contact: Canadian Commercial Corporation (CCC); 50 O'Connor Street, 11th Floor; Ottawa, ON K1A 0S6, Canada; Tel: [1] (613) 996-0034, or toll-free at [1] (800) 748-8191; Web: <a href="http://www.ccc.ca">www.ccc.ca</a> .

<b>Term</b>	<b>Definition</b>
<b>CANAMEX Corridor</b>	(NAFTA) A series of highways that make up a transportation corridor linking Canada, the United States, and Mexico. The CANAMEX Corridor was established under the North American Free Trade Agreement and includes the following highways: Canada: Alberta Highways 2, 3, 4 and 43; United States: Montana Interstate 15, Idaho Interstate 15, Utah Interstate 15, Nevada Interstate 15, Interstate 515, and US Route 93, Arizona US Route 93, Interstates 10 and 19; and Mexico: Sonora Mexico Federal Highway 15.
<b>cap</b>	(banking/finance/foreign exchange) On borrowed funds with an interest rate which is tied to the market rate, an upside limit or cap can be agreed upon, i.e. against payment of a premium, an upper interest rate limit is agreed upon, which will not be exceeded even if the market rate rises above the stated level.
<b>capacity to contract</b>	(law) Legal competency to make a contract. A party has capacity to contract if he or she has attained the age required by law and has the mental ability to understand the nature of contract obligations.
<b>capesize</b>	(shipping) An ocean-going cargo vessel that is physically too large to fit through the locks of either the Panama or Suez Canals and therefore must voyage via Cape Horn at the southernmost tip of South America to get to or from the Atlantic and Pacific Oceans, or the Cape of Good Hope at the southernmost tip of South Africa to get to or from the Indian and Atlantic Oceans. Capesize vessels generally serve deepwater terminals handling raw materials, such as iron ore and coal.
<b>capital account</b>	(economics) Juxtaposition of the long- and short-term capital imports and exports of a country. See balance of payments.
<b>capital flight</b>	(economics) The transfer of money or other financial resources from one country to another as a hedge against inflation or poor economic or political conditions.
<b>capital goods</b>	(economics) Manufactured goods that are for productive industrial use. For example: machine tools. See consumer goods.
<b>capital market</b>	(finance) The market for buying and selling long-term loanable funds, in the form of bonds, mortgages and the like. Unlike the money market, where short-term funds are traded, the capital market tends to center on well-organized institutions such as the stock exchange. However, there is no clear-cut distinction between the two other than that capital market loans are generally used by businesses, financial institutions and governments to buy capital goods whereas money-market loans generally fill a temporary need for working capital.
<b>capital movements</b>	(economics) (a) The international payments of a nation. (b) A nation's short- and long-term claims and liabilities, which are entered into vis-a-vis foreign countries, including repayment of foreign debt, direct investments, portfolio investments and purchase of private real estate.
<b>captain's protest</b>	(shipping) A document prepared by the captain of a vessel on arrival at port, showing unusual conditions encountered during voyage. Generally, a captain's protest is prepared to relieve the ship owner of any liability for any loss to cargo, thus requiring cargo owners to look to insurance companies for reimbursement.
<b>Captain, Ship's</b>	(shipping) The officer in command of a ship. Master of a ship. The captain leads, supervises and is responsible for the entire crew. Responsibilities include: all aspects of the running of a ship, customs and immigration issues and cargo manifests. Deals directly with the three department heads: Chief Engineer, Chief Steward and Chief Mate.
<b>cargo</b>	(shipping) Merchandise hauled by transportation lines.
<b>cargo agent</b>	(shipping) An agent appointed by an airline or shipping line to solicit and process international air and ocean freight for shipments. Cargo agents are paid commissions by the airline or shipping line.
<b>cargo aircraft (freighter)</b>	(shipping) An aircraft for the carriage of cargo only, rather than the combination of passengers and cargo. The all-cargo aircraft will carry cargo in bulk or in air freight containers (ULDs or unit load devices) in the main deck as well as in the lower deck of the aircraft. It may include a scheduled and/or nonscheduled service.
<b>cargo insurance</b>	(insurance) A subset of marine insurance, cargo insurance protects international traders against the risk of loss or damage to cargo transported by all types of carriers and methods of shipment including oceangoing vessels, inland waterway vessels, trucks, railcars, and airplanes. An international trader may obtain cargo insurance either directly from an insurance company or

Term	Definition
	<p>through the carrier, freight forwarder, or logistics firm handling the shipment.</p> <p>See marine cargo insurance.</p>
<b>cargo manifest</b>	(shipping) A list of a ship's cargo or passengers, but without a listing of charges.
<b>cargo selectivity system</b>	(U.S. Customs) A part of U.S. Customs' Automated Commercial System, specifies the type of examination (intensive or general) to be conducted for imported merchandise. The type of examination is based on database selectivity criteria such as assessments of risk by filer, consignee, tariff number, country of origin, and manufacturer/shipper. A first time consignee is always selected for an intensive examination. An alert is also generated in cargo selectivity the first time a consignee files an entry in a port with a particular tariff number, country of origin, or manufacturer/shipper. See Automated Commercial System.
<b>cargo tonnage</b>	(shipping) The weight of a shipment or of a ship's total cargo expressed in tons.
<b>cargo, N.O.S.</b>	(shipping) Articles not otherwise specifically provided for. In determining the freight rate, a general category of articles for shipment.
<b>Caribbean Basin Economic Recovery Act (CBERA)</b>	(U.S.) The CBERA affords nonreciprocal tariff preferences by the United States to developing countries in the Caribbean Basin area to aid their economic development and to diversify and expand their production and exports. The CBERA applies to merchandise entered, or withdrawn from warehouse for consumption, on or after January 1, 1984. This tariff preference program has no expiration date. See Caribbean Basin Initiative.
<b>Caribbean Basin Initiative (CBI)</b>	<p>(U.S.) A program providing for the duty-free entry into the United States of merchandise from designated beneficiary countries or territories in the Caribbean Basin.</p> <p>This program was enacted by the United States as the Caribbean Basin Economic Recovery Act and became effective January 1, 1984.</p> <p>The purpose of the program is to increase economic aid and trade preferences for twenty-eight states of the Caribbean region. The Caribbean Basin Economic Recovery Act provided for twelve years of duty-free treatment of most goods produced in the Caribbean region. The Initiative was extended permanently (CBI II), by the Customs and Trade Act of August 1990. The 23 countries include Antigua and Barbuda, the Bahamas, Barbados, Belize, the British Virgin Islands, Costa Rica, Dominica, the Dominican Republic, El Salvador, Grenada, Guatemala, Guyana, Honduras, Jamaica, Montserrat, the Netherlands Antilles, Nicaragua, Panama, St. Christopher-Nevis, St. Lucia, St. Vincent and the Grenadines, Trinidad and Tobago. The following countries may be eligible for CBI benefits but have not formally requested designation: Anguilla, Cayman Islands, Suriname, and the Turks and Caicos Islands. Web: <a href="http://www.ustr.gov/trade-topics/trade-development/preference-programs/caribbean-basin-initiative-cbi">www.ustr.gov/trade-topics/trade-development/preference-programs/caribbean-basin-initiative-cbi</a>.</p>
<b>Caribbean Community (CARICOM)</b>	A regional trade alliance composed of 13 English speaking Caribbean nations. Its purpose is to further economic development and increase social and cultural cooperation among member nations. Members include Antigua and Barbuda, the Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, Montserrat, St. Kitts-Nevis, St. Lucia, St. Vincent and the Grenadines, and Trinidad and Tobago. Contact: Caribbean Community; Turkeyen; Greater Georgetown, Guyana; Tel: (592) 222-0001-75; Fax: (592) 222-0171; Web: <a href="http://www.caricom.org">www.caricom.org</a> .
<b>carnet</b>	(customs) A customs document permitting the holder to carry or send merchandise temporarily into participating foreign countries (for display, demonstration, or similar purposes) without paying duties, value-added taxes or posting bonds. See ATA Carnet, TECRO/AIT Carnet.
<b>Carriage and Insurance Paid To (. . . named place of destination) (CIP)</b>	<p>(Incoterms© 2010, enter into force January 1, 2011)</p> <p>One of the 11 Incoterms© 2010.</p>

Term	Definition
	<p>In Carriage and Insurance Paid To, the seller/exporter/manufacturer clears the goods for export and is responsible for delivering the goods to the carrier at an agreed-upon place of shipment (not the destination). This is where risk passes from seller to buyer.</p> <p>The seller, however, is responsible for contracting for and paying the costs associated with transport of the goods and minimum cover insurance to the "named place of destination." This is where costs transfer from seller to buyer.</p> <p>It is important to note that the transfer of risk from seller to buyer occurs at a different point than the transfer of costs.</p> <p>When using the CIP term, it is advisable to clearly specify in the contract of sale and in contracts of carriage, not only the named place of destination, but also the precise point at or within the named place of destination.</p> <p>The CIP term may be used for any mode of transport including multimodal. In CIP, the named place of destination is domestic to the buyer.</p> <p>The CIP term is often used in sales where the shipment is by air freight, containerized ocean freight, courier shipments of small parcels, and in "ro-ro" (roll-on, roll-off) shipments of motor vehicles.</p> <p>If more than one carrier is used for carriage to the named place of destination, such as in multimodal shipments, the risk passes when the goods have been delivered to the first carrier.</p> <p>See World Trade Press Illustrated Guide to Incoterms© 2010 Appendix for details.</p>
<p><b>Carriage and Insurance Paid To (...named place of destination) (CIP)</b></p>	<p>(obsolete-Incoterms 2000) An international trade term of sale in which, for the quoted price, the seller/exporter clears the goods for export, delivers them to the carrier, and is responsible for paying for carriage and insurance to the named place of destination. However, once the goods are delivered to the carrier, the buyer is responsible for all additional costs.</p> <p>In Incoterms 2000 the seller is also responsible for the costs of unloading, customs clearance, duties, and other costs if such costs are included in the cost of carriage such as in small package courier delivery.</p> <p>The seller is responsible for procuring and paying for insurance cover.</p> <p>The Carriage and Insurance Paid To term is often used in sales where the shipment is by air freight, containerized ocean freight, courier shipments of small parcels, and in "ro-ro" (roll-on, roll-off) shipments of motor vehicles.</p> <p>A "carrier" can be a shipping line, airline, trucking firm, railway or also an individual or firm who undertakes to procure carriage by any of the above methods of transport including multimodal. Therefore, a person, such as a freight forwarder, can act as a "carrier" under this term.</p> <p>If subsequent carriers are used for the carriage to the agreed destination, the risk passes when the goods have been delivered to the first carrier.</p> <p>See Carriage and Insurance Paid To, Incoterms© 2010 below.</p>

Term	Definition
<b>Carriage of Goods by Sea Act of 1936 (COGSA)</b>	<p>(U.S. shipping law) A U.S. law which, among other provisions, establishes statutory responsibility for the carrier's liability for certain types of damage. Where the COGSA applies, generally speaking, the vessel or carrier is responsible for damage resulting from negligence in the loading, stowing and discharge of cargo. It is not responsible for damage resulting from errors of navigation or management of the ship, from unseaworthiness of the vessel (unless caused by lack of due diligence to make it seaworthy), or from perils of the sea, fire, and a number of other listed causes. The burden of proof in establishing fault will rest at times upon the shipper and at times upon the carrier.</p> <p>The COGSA provides that the shipowner's liability will be limited to US\$500 per shipping package, and states that there is a one-year time limit for filing suit against the carrier. At issue is the definition of a shipping package. Originally, a package might be a simple carton or crate. Over time, carriers argued that a shipping package was a pallet, and then a container. This had the effect of diluting carrier liability. Also, the degree to which a steamship company can be held responsible for damage sustained by a specific shipment is frequently difficult to determine. COGSA applies to import and export shipments and, by agreement, to much U.S. coast-wise and intercoastal business as well.</p>
<b>Carriage Paid To (. . . named place of destination) (CPT)</b>	<p>(Incoterms© 2010, enter into force January 1, 2011)</p> <p>One of the 11 Incoterms© 2010.</p> <p>In Carriage Paid To, the seller/exporter/manufacturer clears the goods for export and is responsible for delivering the goods to the carrier at an agreed-upon place of shipment (not the destination). This is where risk passes from seller to buyer.</p> <p>The seller, however, is responsible for contracting for and paying the costs associated with transport of the goods to the "named place of destination." This is where costs transfer from seller to buyer.</p> <p>It is important to note that the transfer of risk from seller to buyer occurs at a different point than the transfer of costs.</p> <p>When using the CPT term, it is advisable to clearly specify in the contract of sale and in contracts of carriage, not only the named place of destination, but also the precise point at or within the named place of destination.</p> <p>The CPT term may be used for any mode of transport including multimodal. In CPT, the named place of destination is domestic to the buyer.</p> <p>The CPT term is often used in sales where the shipment is by air freight, containerized ocean freight, courier shipments of small parcels, and in "ro-ro" (roll-on, roll-off) shipments of motor vehicles.</p> <p>If more than one carrier is used for carriage to the named place of destination, such as in multimodal shipments, the risk passes when the goods have been delivered to the first carrier.</p> <p>See World Trade Press Illustrated Guide to Incoterms© 2010 Appendix for details.</p>
<b>Carriage Paid To (...named place of destination) (CPT)</b>	<p>(obsolete-Incoterms 2000) An international trade term of sale in which, for the quoted price, the seller/exporter/manufacturer clears the goods for export, delivers them to the carrier, and is responsible for paying for carriage to the named place of destination. However, once the seller delivers the goods to the carrier, the buyer becomes responsible for all additional costs.</p> <p>In Incoterms 2000 the seller was also responsible for the costs of unloading, customs clearance, duties, and other costs if such</p>

Term	Definition
	<p>costs are included in the cost of carriage such as in small package courier delivery.</p> <p>The seller is not responsible for procuring and paying for insurance cover.</p> <p>The Carriage Paid To term is often used in sales where the shipment is by air freight, containerized ocean freight, courier shipments of small parcels, and in "ro-ro" (roll-on, roll-off) shipments of motor vehicles.</p> <p>A "carrier" can be a shipping line, airline, trucking firm, railway or also an individual or firm who undertakes to procure carriage by any of the above methods of transport including multimodal. Therefore, a person, such as a freight forwarder, can act as a "carrier" under this term.</p> <p>If subsequent carriers are used for the carriage to the agreed destination, the risk passes when the goods have been delivered to the first carrier.</p> <p>See Carriage Paid To, Incoterms© 2010 below.</p>
<b>carrier</b>	<p>(law/shipping) An individual or legal entity that is in the business of transporting passengers or goods for hire. Shipping lines, airlines, trucking companies, and railroad companies are all carriers.</p> <p>Note: The worldwide acceptance of Incoterms 1990, 2000, and now Incoterms 2010, has resulted in an expanded definition of "carrier." In the original meaning, only shipping lines, airlines, trucking companies and railroad companies are carriers. However, the significant increase in multimodal transport and integrated logistics has placed freight forwarders into the position of "carrier." In the definition above, a freight forwarder is a "legal entity that is in the business of transporting goods."</p> <p>The ICC (International Chamber of Commerce) has established the following definition:</p> <p>(ICC definition) "Carrier means any person who, in a contract of carriage, undertakes to perform or to procure the performance of transport by rail, road, air, sea, inland waterway or by combination of such modes." Within the context of this definition, when a buyer nominates a freight forwarder to receive the goods, such as in the FCA (Free Carrier) Incoterm, the seller fulfills his obligation to deliver the goods by delivering to that person.</p> <p>(a) A common carrier is one that by law must convey passengers or goods without refusal, provided the party requesting conveyance has paid the charge for transport.</p> <p>(b) A private or contract carrier is one that transports only those persons or goods that it selects.</p> <p>(U.S. shipping) By U.S. government regulation a common carrier publishes stated rates for carriage and must accept any passengers or goods for transport so long as space is available and the published rate is paid.</p>
<b>Carrier Initiative Program (CIP)</b>	<p>(United States) A U.S. Customs and Border Protection (CBP) program established in 1984, as a joint effort among air, sea, land and rail carriers and CBP to address the problem of drug smuggling and terrorism in the United States on board commercial conveyances. By signing the CIP agreement with CBP, carriers agree to enhance their security at foreign and domestic terminals as well as on board their conveyances. Additionally, they agree to cooperate closely with CBP in identifying and reporting attempted or suspected smuggling attempts or other criminal activity. In return, the Customs Service agrees to conduct both domestic and foreign security site surveys, post-seizure analysis, and provide training to identify security weaknesses</p>

Term	Definition
	within their company and suggests improvements to better their security systems and measures. The CIP is one of the CBP Industry Partnership Programs (IPP). For more information contact the CBP Industry Partnership Programs at [1] (202) 927-0520 or go to: <a href="http://www.cbp.gov/xp/cgov/trade/cargo_security/carriers/ipp.xml">www.cbp.gov/xp/cgov/trade/cargo_security/carriers/ipp.xml</a> .
<b>carrier's certificate</b>	(U.S. Customs) A document issued by a shipping company, addressed to a District Director of Customs, which certifies that a named individual is the owner or consignee of the articles listed in the certificate. This document is often the "evidence of right to make entry" required by U.S. Customs for an individual to clear goods through Customs. See evidence of right to make entry.
<b>cartage</b>	(logistics) (a) The movement of goods for short distances, usually by truck. (b) The charge to pick up, move and deliver goods short distances.
<b>cartage agent</b>	(shipping) A ground service operator who provides pickup and delivery of freight in areas not served directly by an air or ocean carrier.
<b>cartage/drayage</b>	(shipping) (a) The local transport of goods. (b) The charge(s) made for hauling freight on carts, drays or trucks.
<b>cartel</b>	An organization of independent producers formed to regulate the production, pricing, or marketing practices of its members in order to limit competition and maximize their market power.
<b>casco</b>	(insurance) Marine insurance coverage on the hull of a ship.
<b>cash against documents (CAD)</b>	(commerce/banking) A method of payment where a seller, or an intermediary for a seller, delivers title documents for a shipment to the purchaser/buyer/consignee only upon payment for the shipment. This payment method holds less risk for the seller as title to the shipment does not pass until payment has been made. This is also called documents against payment. See documentary collection.
<b>cash in advance (CIA)</b>	(commerce) A method of payment where the seller requires payment for a shipment from the buyer prior to shipment or delivery. This method is advantageous to the seller, but disadvantageous to the buyer, who is subject to the risk that the seller may not ship or deliver as promised. See cash against documents, documentary collection.
<b>cash with order (CWO)</b>	(commerce) A method of payment where the buyer makes payment at the time the order is placed. This payment method is common for small orders (such as ordering a clothing item from a catalog company), where the buyer is unknown to an established seller or where the seller is known to the buyer and needs funds to produce the order. It is the same as the cash in advance payment method. See cash in advance.
<b>casus major</b>	(law/shipping) A major casualty that is usually accidental, such as a flood or shipwreck.
<b>catalog &amp; video; catalog exhibitions</b>	(U.S.) A U.S. International Trade Administration program promoting low-cost exhibits of U.S. firms' catalogs and videos, offering small, less-experienced companies an opportunity to test overseas markets for their products without travel. The International Trade Administration promotes exhibitions, provides staff fluent in the local language to answer questions, and forwards all trade leads to participating firms. Contact: Trade Information Center; Tel: [1] (800) USA-TRADE. See International Trade Administration.
<b>category groups</b>	Groupings of controlled products. See export control classification number.
<b>cause of action</b>	(law) Facts that give a party a right to seek a judicial remedy against another individual or legal entity.
<b>caveat emptor</b>	(law) Latin for "Let the buyer beware." The purchaser buys at his own risk.
<b>CCC Mark</b>	(China) Acronym for China Compulsory Certification mark. A symbol printed on a product or product label by its manufacturer or importer declaring compliance with the requirements of various Chinese government laws for manufactured products related to human life and health, animals, plants, environmental protection and national security.  Products in 19 groups divided into 132 categories must acquire the mark before they can be marketed, imported or used for any commercial purpose in China. The CCC Mark law went into effect on August 1, 2003.

Term	Definition
	<p>Various private organizations assist manufacturers and importers in acquiring the CCC mark. Search for "CCC mark" in your computer browser to find organizations to assist in acquiring the CCC mark for your products.</p> <p>CCC mark directives are published by China's State General Administration of Quality Supervision and Inspection and Quarantine (AQSIQ) and the Certification and Accreditation Administration (CNCA), on its Web site at: <a href="http://www.cnca.gov.cn">www.cnca.gov.cn</a> For additional information go to: <a href="http://www.mac.doc.gov/China/Docs/BusinessGuides/cccguid2.htm">www.mac.doc.gov/China/Docs/BusinessGuides/cccguid2.htm</a>.</p>
<b>CE mark, CE marking</b>	<p>(European Union) CE is the acronym for the French words "Conformité Européene" (European Conformity).</p> <p>The "CE mark" is a symbol printed on a product or product label by its manufacturer or importer declaring compliance with the requirements of approximately 22 European Union "CE Marking Directives" related to health, safety and environmental protection.</p> <p>Individual Product Directives contain the "essential requirements," "performance levels" and/or "Harmonized Standards" to which the products must conform.</p> <p>Harmonized Standards are technical specifications established by various European standards organizations such as the European Committee for Standardization (CEN) and the European Committee for Electrotechnical Standardization (CENELEC).</p> <p>CE marking on a product is a legal requirement for its introduction, sale and free movement within the European Union. Therefore, the CE mark is important for manufacturers and importers wishing to place products in the European market.</p> <p>The term "CE mark" was originally "EC mark" but was changed in 1993 to CE mark. "CE Mark" is still in use, but it is no longer the official term.</p> <p>Search "CE Mark" on your computer browser for the names of organizations that assist in acquiring CE marking for products.</p>
<b>cedi</b>	The currency of Ghana. 1¢=100 pesewas.
<b>cell</b>	(shipping) The on board stowage space for one shipping container on a ship.
<b>cells</b>	(shipping) The modular construction system on board a cellular shipping vessel designed to allow containers to be stowed securely one on top of another with vertical bracing at the four corners.
<b>cellular vessel</b>	(shipping) A special use shipping vessel designed for the efficient stowage of ocean containers one on top of the other with vertical bracing at the four corners.
<b>Census Interface System</b>	(U.S. Customs) A part of U.S. Customs' Automated Commercial System, which includes edits and validations provided by the Bureau of the Census to allow for the accurate and timely collection and submission of entry summary data. Census Interface is accomplished through Automated Broker Interface entry summary transmissions. See Automated Commercial System.
<b>Center for Trade and Investment Services</b>	(U.S.) CTIS is the focal point in the Agency for International Development (AID) for the collection and dissemination of information on the agency's programs and activities that support international private enterprise in the developing countries where AID operates. CTIS is a full service, comprehensive "one-stop-shop" for information about AID's trade and investment programs and business opportunities in countries served by AID. The center's objective is to further economic development abroad by facilitating increased business activity between the private sectors of AID-assisted countries and the U.S. Contact: Global Trade Network; Tel: [1] (908) 668-1865; Web: <a href="http://www.usgtn.net/">www.usgtn.net/</a> .
<b>center partition railway car</b>	(rail transportation) A platform-type railroad car featuring a longitudinal center partition to which cargo can be secured. Center partition railcars (also called centerbeam flatcars) are designed to be loaded from both sides. Common commodities transported

Term	Definition
	include lumber, plywood, building materials, and other packaged products. Decks are canted toward the center of the railcar and have floor risers suitable for packages without preattached dunnage.
<b>centerbeam flatcar</b>	See center partition railway car.
<b>Central American Economic Integration</b>	A regional trade alliance established in July 1991 comprised of Honduras, Guatemala, El Salvador, Nicaragua and Costa Rica. The common market covers all products traded within the region as of 1992. A second step toward regional integration will be the establishment of a common external tariff. Panama is becoming progressively more involved in the regional integration discussions. Contact: Secretariat for Central American Economic Integration; 4a. Avenida 10-25 Z. 14, Guatemala; Tel: [502] 2368-2151; Web: www.sieca.org.gt.
<b>central bank</b>	(banking) The only institution which has the right to issue banknotes and which constitutes the monetary and credit policy authority of a currency zone. Apart from this, it supplies the economy with money and credit, regulates domestic and foreign payments transactions and maintains internal and external monetary stability.
<b>certificate of analysis</b>	A document issued by a recognized organization or governmental authority confirming the quality and composition of goods listed in the certificate. Certificates of analysis are often required by authorities in importing countries for animal and plant products for consumption and for pharmaceuticals. See certificate of inspection; phytosanitary inspection certificate.
<b>certificate of free sale (CFS)</b>	A document issued by a government entity on behalf of an exporter stating that specified goods comply with the laws of the exporting country for distribution in that country's commerce. A certificate of free sale provides assurance to the country of import that the imported goods meet country of export state, provincial and national requirements for sale. Certificates of free sale are typically issued for food products, dietary supplements, drugs, cosmetics, and medical devices.
<b>certificate of inspection</b>	A document certifying that merchandise (such as perishable goods) was in good condition at the time of inspection, usually immediately prior to shipment. Pre-shipment inspection is a requirement for importation of goods into many developing countries. Often used interchangeably with certificate of analysis. See phytosanitary inspection certificate; certificate of analysis.
<b>certificate of insurance</b>	See insurance certificate.
<b>certificate of manufacture</b>	A document (often notarized) in which a producer of goods certifies that the manufacturing has been completed and the goods are now at the disposal of the buyer.
<b>certificate of origin</b>	<p>(customs) A document attesting to the country of origin of goods. A certificate of origin is often required by the customs authorities of a country as part of the entry process. Such certificates are usually obtained through an official or quasi-official organization in the country of origin such as a consular office or local chamber of commerce. A certificate of origin may be required even though the commercial invoice contains the information.</p> <p>Certificate of Origin Form A. A document required by customs in the United States and other developed countries to prove eligibility of merchandise under duty-free import programs such as the Generalized System of Preferences and the Caribbean Basin Initiative.</p>
<b>certificate of weight</b>	(shipping) A document stating the weight of a shipment.
<b>certification</b>	<p>(a) The process by which an authorized certifying body, either governmental or non-governmental, evaluates and recognizes an individual or organization as having met certain requirements. For example, the process by which a standards organization certifies that a company has met requirements for an industry standard.</p> <p>(b) Documentation by a qualified authority that a shipment of goods has conformed to certain requirements such as quality standards, quantity, volume, or country of origin. For example, a country of origin document provided by a local chamber of commerce and industry.</p>

Term	Definition
	(c) A document attesting to the truth of certain facts. For example, a document attesting to the authenticity of signatures or documents in connection with a letter of credit.
<b>Certified Trade Fair Program</b>	<p>(trade event) The U.S. Department of Commerce Certified Trade Fair Program is designed to encourage private organizations to recruit new-to-market and new-to-export U.S. firms to exhibit in trade fairs overseas. To receive certification, the organization must demonstrate: (1) the fair is a leading international trade event for an industry and (2) the fair organizer is capable of recruiting U.S. exhibitors and assisting them with freight forwarding, customs clearance, exhibit design and setup, public relations, and overall show promotion. The show organizer must agree to assist new-to-export exhibitors as well as small businesses interested in exporting.</p> <p>In addition to the services the organizer provides, the Department of Commerce will:</p> <ol style="list-style-type: none"> <li>1) Assign a Washington coordinator.</li> <li>2) Operate a business information office, which provides meeting space, translators, hospitality, and assistance from U.S. exhibitors and foreign customers.</li> <li>3) Help contact buyers, agents, distributors, and other business leads and provide marketing assistance.</li> <li>4) Provide a press release on certification.</li> </ol> <p>Contact the U.S. Department of Commerce; 1401 Constitution Ave., NW; Washington, DC 20230 USA; Tel: [1] (202) 482-2000; Web: <a href="http://www.export.gov/tradeevents/index.asp">www.export.gov/tradeevents/index.asp</a>. See new-to-market; new-to-export.</p>
<b>Certified Trade Missions Program</b>	<p>(U.S.) Former name: state/industry organized, government approved (S/IOGA). The U.S. Department of Commerce, through its Certified Trade Missions Program, offers guidance and assistance to federal, state and local development agencies, chambers of commerce, industry trade associations, and other export-oriented groups that are interested in becoming more actively involved in export promotion. Certified Trade Missions open doors to government and business leaders in promising export markets around the world.</p> <p>Once the sponsoring organization has selected the countries to be considered, proposed an itinerary, and outlined its mission goals and objectives, the Department of Commerce coordinates the mission itinerary with its commercial staff at U.S. embassies and consulates overseas. These posts help to arrange the mission's activities to make the most productive use of each member's time at each stop on the itinerary. Some missions also include informational or technical seminars specifically designed to exhibit and promote sales of sophisticated products, technology, or services in targeted markets. Contact: Certified Trade Missions; U.S. Department of Commerce; 1401 Constitution Ave.; NW, Washington, DC 20230 USA; Tel: [1] (202) 482-2000, Web: <a href="http://www.export.gov/ctm/index.asp">www.export.gov/ctm/index.asp</a>.</p>
<b>cession of goods</b>	(law) A surrender of goods. A relinquishment of a debtor's property to creditors when the debtor cannot pay his or her debts.
<b>CFATS</b>	<p>(security) Acronym for the U.S. Chemical Facility Anti-Terrorism Standards. A set of standards established by the U.S. Department of Homeland Security that imposes comprehensive federal security regulations for high-risk chemical facilities.</p> <p>This rule establishes risk-based performance standards for the security of the country's chemical facilities. It requires covered chemical facilities to prepare Security Vulnerability Assessments, which identify facility security vulnerabilities, and to develop and implement Site Security Plans, which include measures that satisfy the identified risk-based performance standards.</p>

<b>Term</b>	<b>Definition</b>
	It also allows certain covered chemical facilities, in specified circumstances, to submit Alternate Security Programs in lieu of a Security Vulnerability Assessment, Site Security Plan, or both. For details, go to: <a href="http://www.dhs.gov/files/laws/gc_1166796969417.shtm">www.dhs.gov/files/laws/gc_1166796969417.shtm</a> .
<b>chaebol</b>	(Korea) Korean conglomerates which are characterized by strong family control, authoritarian management, and centralized decision making. Chaebol dominate the Korean economy, growing out of the takeover of the Japanese monopoly of the Korean economy following World War II. Korean government tax breaks and financial incentives emphasizing industrial reconstruction and exports provided continuing support to the growth of Chaebols during the 1970s and 1980s. In 1988, the output of the 30 largest chaebol represented almost 95% of Korea's gross national product.
<b>chandlery</b>	See ship chandlery.
<b>chargé d'affaires</b>	(diplomacy) A subordinate diplomat who takes charge in the absence of the ambassador.
<b>chargeable weight</b>	(shipping) The greater of a shipment's actual weight or volume weight.
<b>charges advanced</b>	See advancement of charges.
<b>charges collect</b>	(shipping) The total transportation charges which may include pickup and/or delivery charges which are entered on the ocean or air waybill to be collected from the consignee. Equivalent terms are "freight collect" or "charges forward."
<b>charter</b>	(law) (a) An instrument issued by a government to the governed people, a specific part of the people, a corporation, a colony, or a dependency confirming or conferring described rights, liberties, or powers. (b) A legislative act that creates a business corporation or that creates and defines a corporate franchise.  (shipping) (a) A charter party or charter agreement is a lease or agreement to hire an airplane, vessel, or other means of conveyance to transport goods on a designated voyage to one or more locations. (b) A gross charter is a charter agreement by which the shipowner furnishes personnel and equipment and incurs other expenses, such as port costs. (c) A bareboat charter is a charter agreement under which an individual or legal entity charters a vessel without a crew, assumes full possession and control of the vessel, and is generally invested with temporary ownership powers.
<b>charter party bill of lading</b>	(shipping) A bill of lading issued by a charter party. Charter party bills of lading are not acceptable by banks under letters of credit unless they are specifically authorized in the credit. See bill of lading.
<b>charter party contract</b>	(shipping) Contract according to which the precisely designated freight room of a ship or the whole ship is leased by the owner to a charterer for a specific period, specific voyage or voyages. If a ship is chartered without crew this is a bareboat charter. The freight documents issued by the current charterer or his authorized party are called charter party bills of lading.
<b>charter service</b>	(shipping) The temporary hiring of an aircraft, usually on a trip basis, for the movement of cargo or passengers.
<b>chartered bank</b>	(Canada) Financial institution licensed by the Canadian Parliament under the Bank Act to operate as a bank.
<b>chartered ship</b>	(shipping) A ship leased by its owner or agent for a stated time, voyage or voyages.
<b>chassis</b>	(shipping) A special trailer or undercarriage on which containers are moved over the road. Chassis comes in skeletal types, parallel frame, perimeter frame and goose neck types, among others.
<b>chattel</b>	(law) An item of personal property.
<b>chattel lien</b>	(law) A lien on chattel in favor of a person who has expended labor, skill, or materials on the chattel or has furnished storage for it at the request of the owner, an agent, or a party who legally possesses it.
<b>chattel paper</b>	(law) A writing or a group of writings that constitute a security interest in, or a lease of, specific goods for a monetary obligation.
<b>check digit</b>	(logistics) A one-digit number added to the end of a data field (e.g., container serial number, air waybill number) for added security. A check digit is calculated from the preceding values in the data field using a mathematical formula.

<b>Term</b>	<b>Definition</b>
<b>Chemical Facility Anti-Terrorism Standards</b>	See CFATS.
<b>chemical/biological weapons</b>	<p>(U.S.) The Department of Commerce maintains foreign policy export controls on certain chemical precursors useful in chemical warfare. Through the Australia Group (AG), the United States cooperates with other nations in controlling chemical weapons proliferation. The AG has developed a Core List of nine chemicals considered essential to the development of chemical weapons. The AG also developed a Warning List which identifies 41 precursors which are useful for chemical weapons development. The AG also provides the forum in which the member countries share information concerning the activities of nonmember countries where the proliferation of these weapons is of concern, including entities that are seeking chemical precursors and related items.</p> <p>The United States controls all 50 chemical precursors designated by the AG as useful in chemical weapons production. The nine core list chemicals are controlled worldwide, except to the members of the AG and NATO. The remaining 41 chemicals are controlled to selected countries.</p> <p>The U.S. also maintains unilateral controls on certain biological organisms and requires an individual validated license to all destinations except Canada. U.S. Department of Commerce regulations are designed in the form of a "negative" list. The list identifies those organisms that have been determined to be of no or minimal level of hazard. Any organism that is not included on the list is controlled. The U.S. Department of Commerce requires individual validated licenses for the export of Class 2, 3, and 4 organisms to all destinations except Canada. (The higher the class, the greater the toxicity.) License applications are referred to the U.S. State Department for review and recommendation. Approval or denial is determined by analysis of the application and intelligence input.</p> <p>See Australia Group.</p>
<b>Chief Mate</b>	(shipping) The second in command officer of a ship. Responsibilities include: the stability of the ship, loading the ship and all seamen and mates on board. Chief mate is the fifth level job of six towards becoming a captain (ordinary seaman, able-bodied seaman, third mate, second mate, chief mate, captain).
<b>chill a sale</b>	(law) Combining or conspiring (of buyers or bidders) to suppress competition at a sale, in order to acquire property at less than fair market value.
<b>Chinaman</b>	(insurance) An insurance "policy" that set a target global gross shipping tonnage loss for a calendar year. If the loss was less than the stipulated amount, the insurance paid out. This form of "insurance" was technically unlawful, because there was no insurable interest. Policies, however, were often marked P.P.I. (Policy is Proof of Interest). Their use continued until they were banned by Lloyds of London in the 1970s. See also insurable interest, tonner.
<b>chose in action</b>	See thing in action.
<b>CIF</b>	See Cost, Insurance, Freight; Incoterms.
<b>CIM</b>	(shipping) An internationally standardized freight document issued in rail transport. CIM stands for "Convention Internationale concernant le transport des Marchandises par chemin de fer." The agreement has been in force since January 1, 1965, and constitutes the legal basis for the conclusion of freight contracts in international rail goods transport using one freight document.
<b>CISG</b>	See United Nations Convention on Contracts for the International Sale of Goods.
<b>city bank</b>	(Japan) A major Japanese commercial bank, located in a city, dealing with corporations and major accounts (as compared to a local bank).

Term	Definition
<b>city terminal service</b>	(shipping) A service provided by some airlines to accept shipments at the terminals of their cartage agents or other designated in-town terminals or to deliver shipments to these terminals at lower rates than those charged for the door-to-door pickup and delivery service.
<b>civil law</b>	(law) A body of law created by statutes and other enactments of legislatures and by rules and regulations adopted to give effect to those statutes and enactments. See common law.
<b>claim</b>	(shipping) A demand made upon a transportation line for payment on account of a loss sustained through its negligence.  (insurance) A demand made upon an insurance company for payment on account of an insured loss.
<b>claim tracer</b>	(shipping) A request for an advice concerning the status of a claim.
<b>class or kind (of merchandise)</b>	(customs) A term used in defining the scope of an antidumping investigation. Included in the "class or kind" of merchandise is merchandise sold in the home market which is "such or similar" to the petitioned product. "Such or similar" merchandise is that merchandise which is identical to or like the petitioned product in physical characteristics. See dumping.
<b>class rates</b>	(shipping) Shipping rates that apply to cargo covered in a single class of goods as defined in a cargo classification table. Cargo classification tables and rates are usually based on criteria such as weight, bulk, value, perishability, hazard/danger and method of packing. See class or kind (of merchandise).
<b>classification</b>	(general) The categorization of merchandise.  (shipping) The assignment of a category to a specific cargo for the purpose of applying class rates, together with governing rules and regulations.  (U.S. Customs) The categorization of merchandise according to the Harmonized Tariff Schedule of the United States (HTS or HTSUS). Classification affects the duty status of imported merchandise.  Classification and valuation of imported merchandise must be provided by commercial importers when an entry is filed. In addition, classification under the statistical suffixes of the tariff schedules must also be furnished even though this information is not pertinent to dutiable status. Accordingly, classification is initially the responsibility of an importer, customs broker or other person preparing the entry papers. See Harmonized Tariff Schedule of the United States. See valuation.
<b>classification societies</b>	(shipping) Classification societies are organizations that survey and classify ships, both during their construction and operation. They are the principal means by which standards of construction and maintenance are enforced, and ship certificates can be issued by Flag States.  In order to be registered a ship must be certified to be of a particular type and size and to be maintained to certain minimum standards. Classification societies are licensed by states (national governments) to undertake this work on their behalf. Most states do not insist that ships be "classed." However, without a "class" there would be considerable difficulties in operating a ship, as "class" is generally a requirement of most insurance companies and shippers using the vessel.  The principal classification societies are:  American Bureau of Shipping (U.S.) (ABS)  <a href="http://www.eagle.org">www.eagle.org</a>

Term	Definition
	Bureau Veritas (France) (BV)
	<a href="http://www.bureauveritas.com">www.bureauveritas.com</a>
	China Classification Society (CCS)
	<a href="http://www.bureauveritas.com">www.bureauveritas.com</a>
	China Classification Society (CCS)
	<a href="http://www.ccs.org.cn">www.ccs.org.cn</a>
	Det Norske Veritas (Norway) (DNV)
	<a href="http://www.dnv.com">www.dnv.com</a>
	Germanischer Lloyd (Germany) (GL)
	<a href="http://www.gl-group.com">www.gl-group.com</a>
	Hellenic Register of Shipping (Greece) (HRS)
	<a href="http://www.hrs.gr">www.hrs.gr</a>
	Indian Register of Shipping (India) (IRS)
	<a href="http://www.irclass.org">www.irclass.org</a>
	Korean Register of Shipping (Korea) (KRS)
	<a href="http://www.krs.co.kr">www.krs.co.kr</a>
	Lloyd's Register of Shipping (UK) (LR)
	<a href="http://www.lr.org">www.lr.org</a>
	Nippon Kaiji Kyokai (Japan) Class NK
	<a href="http://www.classnk.or.jp">www.classnk.or.jp</a>
	Polski Rejestr Statkow (Poland) (PRS)
	<a href="http://www.prs.pl">www.prs.pl</a>

Term	Definition
	<p>Registro Italiano Navale (Italy) (RINA)</p> <p><a href="http://www.rina.it">www.rina.it</a>.</p>
<b>Clause A</b>	<p>(insurance) One of three standardized marine insurance contract clauses established by the Institute of London Underwriters (ILU) in 1982 and revised in 2009 that define: the risks covered, exclusions, duration, claims, benefit of insurance, minimizing losses, avoidance of delay, and law and practice. Institute clauses are widely accepted worldwide.</p> <p>Clause A coverage essentially replaces the historic "All Risks" clause. It is the most comprehensive of the three, and covers "fortuitous" loss but not "inevitable" loss. It excludes willful misconduct, ordinary wear and tear, insufficient packing, natural decay of goods, delays, default by the carrier, and deliberate damage by the carrier.</p> <p>For the full text of Institute Cargo Clause A, go to:  <a href="http://www.lmalloyds.com/AM/AMTemplate.cfm?template=/CM/ContentDisplay.cfm&amp;ContentID=14813">www.lmalloyds.com/AM/AMTemplate.cfm?template=/CM/ContentDisplay.cfm&amp;ContentID=14813</a>. See also the Guide to Cargo Insurance appendix to this book.</p>
<b>Clause B</b>	<p>(insurance) One of three standardized marine insurance contract clauses established by the Institute of London Underwriters (ILU) in 1982 and revised in 2009 that define: the risks covered, exclusions, duration, claims, benefit of insurance, minimizing losses, avoidance of delay, and law and practice. Institute clauses are widely accepted worldwide.</p> <p>Clause B coverage essentially replaces the historic "With Average" clause and includes Clause C coverage as well as loss due to earthquake, volcanic eruptions, lightning, cargo washed overboard, entry of sea, lake or river water into the transport vehicle or the storage facility, and damage caused during loading and unloading.</p> <p>For the full text of Institute Cargo Clause B, go to:  <a href="http://www.lmalloyds.com/AM/AMTemplate.cfm?template=/CM/ContentDisplay.cfm&amp;ContentID=14814">www.lmalloyds.com/AM/AMTemplate.cfm?template=/CM/ContentDisplay.cfm&amp;ContentID=14814</a>. See also the Guide to Cargo Insurance appendix to this book.</p>
<b>Clause C</b>	<p>(insurance) One of three standardized marine insurance contract clauses established by the Institute of London Underwriters (ILU) in 1982 and revised in 2009 that define: the risks covered, exclusions, duration, claims, benefit of insurance, minimizing losses, avoidance of delay, and law and practice. Institute clauses are widely accepted worldwide.</p> <p>Clause C coverage essentially replaces the historic "Free of Particular Average" clause and is the most restrictive. It covers loss due to fire or explosion; the stranding, grounding, capsizing, or sinking of the vessel; the damaging contact of the vessel with any object other than water; the derailment or overturning of land vehicles; emergency off-loading of the cargo at a non-destination (distress) port; or the jettisoning of the cargo at sea during an emergency.</p> <p>For the full text of Institute Cargo Clause C, go to:  <a href="http://www.lmalloyds.com/AM/AMTemplate.cfm?template=/CM/ContentDisplay.cfm&amp;ContentID=14811">www.lmalloyds.com/AM/AMTemplate.cfm?template=/CM/ContentDisplay.cfm&amp;ContentID=14811</a>. See also the Guide to Cargo Insurance appendix to this book.</p>
<b>claused bill of lading</b>	<p>(shipping) A bill of lading containing notations that specify deficient condition(s) of the goods and/or the packaging. See bill of lading.</p>
<b>clean bill of exchange</b>	<p>(banking) A bill of exchange having no other documents, such as a bill of lading affixed to it.</p>
<b>clean bill of lading</b>	<p>(shipping) A bill of lading receipted by the carrier for goods received in "apparent good order and condition," without damages or other irregularities, and without the notation "Shippers Load and Count.".</p>

<b>Term</b>	<b>Definition</b>
<b>clean collection</b>	(banking) A collection in which the demand for payment (such as a draft) is presented without additional documents. See bill of exchange.
<b>clean draft</b>	(banking) A sight or time draft which has no other documents attached to it. This is to be distinguished from documentary draft. See bill of exchange.
<b>clean letter of credit</b>	(banking) A letter of credit against which the beneficiary of the credit may draw a bill of exchange without presentation of documents. See letter of credit.
<b>clean on board bill of lading</b>	(shipping) A document evidencing cargo laden aboard a vessel with no exceptions as to cargo condition or quantity.
<b>clearance</b>	(customs) The completion of customs entry formalities resulting in the release of goods from customs custody to the importer.
<b>close corporation</b>	See closely held corporation.
<b>closed conference</b>	(shipping) A shipping conference that reserves the right to refuse membership to applying carriers. See conference. See carrier.
<b>closed-end transaction</b>	(finance) A credit transaction that has a fixed amount and time for repayment.
<b>closely held corporation</b>	(law) A corporation with a small number of shareholders, who usually directly operate the corporation and have limited liability. A maximum number of shareholders is usually fixed by law. The minimum capitalization for a closely held corporation is less than that for a public corporation, and fewer formalities are required for managing it. The requirements for closely held corporations vary among jurisdictions. See corporation.
<b>CMR Convention</b>	(logistics) Acronym for Convention on the Contract for the International Carriage of Goods by Road. (CMR is the acronym for the French title: Convention relative au contrat de transport international de marchandises par route.) A United Nations convention addressing legal issues related to the transport of cargo by truck on roads. The convention was signed in Geneva, Switzerland on May 19, 1956. For full text go to: <a href="http://www.jus.uio.no/lm/un.cmr.road.carriage.contract.convention.1956/doc.html">www.jus.uio.no/lm/un.cmr.road.carriage.contract.convention.1956/doc.html</a> .
<b>coastal trade</b>	(shipping) Trade between ports of one nation.
<b>Code of Federal Regulations (CFR)</b>	(U.S. law) A compilation of the administrative rules adopted and followed by departments and agencies of the United States federal government. Copies of the CFR are available at major public libraries in the United States and for purchase from the Superintendent of Documents, U.S. U.S. Government Printing Office, Mail Stop: IDCC, 732 N. Capitol Street, NW, Washington, DC 20401; Tel: [1] (866) 512-1800, [1] (202) 512-1800; Fax: [1] (202) 512-2104; Web: <a href="http://www.gpoaccess.gov">www.gpoaccess.gov</a> .
<b>codes of conduct</b>	International instruments that indicate standards of behavior by nation states or multi-national corporations deemed desirable by the international community. Several codes of conduct were negotiated during the Tokyo Round of the General Agreement on Tariffs and Trade (GATT) that liberalized and harmonized domestic measures that might impede trade.  The United Nations has also encouraged the negotiation of several "voluntary" codes of conduct, including one that seeks to specify the rights and obligations of transnational corporations and of governments.
<b>coin silver</b>	Coin or "German" silver is an alloy of silver that is 800/1000 pure. An article of coin or German silver is often marked "800."
<b>cold chain</b>	(logistics) Supply chain solutions for products that must be kept at controlled low temperatures during transport and storage. These products include pharmaceuticals, vaccines, blood products, clinical trial materials, as well as more traditional foodstuffs, and flowers. Cold chain requires refrigerated and insulated transport vehicles, shipping containers, and storage facilities at every step of the logistics process. Cold chain solutions are expected to grow rapidly as a high-value-add along with the bio-technology industry.
<b>cold ironing</b>	Providing shore-based electrical power to a ship while in port. The power is used to run the ship's electrical systems including lights, heating, air conditioning and hot water for the ship's crew. In practice, a heavy flexible wire encased in rubber or plastic, resembling an extension cord, is extended from the pier, plugged into the ship's receptacle and power is supplied to the ship. This allows the ship to shut down the diesel engines that normally drive its electrical generators and thereby greatly reduce

<b>Term</b>	<b>Definition</b>
	diesel emissions. The Ports of Los Angeles/Long Beach among others have spearheaded the technique. Also called Alternative Marine Power (AMP).
<b>collar</b>	(banking) An agreement to put upper and lower (cap and floor) limits on an interest rate which will be adhered to even if the market rate lies outside this range.
<b>collect charges</b>	(shipping) The transportation practice under which the receiver of the goods pays charges.
<b>collect on delivery (COD)</b>	(shipping) A transportation service under which the purchase price of goods is collected by the carrier from the receiver at the time of delivery, and subsequently, payment is transmitted by the carrier to the shipper. Carriers charge a nominal fee for this service. As the term COD implies payment is due upon delivery. There are no credit provisions in COD service. Also called Cash On Delivery.
<b>collecting bank</b>	(banking) The bank that acts as agent for the seller and seller's bank in collecting payment or a time draft from the buyer to be forwarded to the remitting bank (usually the seller's bank).
<b>collection</b>	(general) The presentation for payment of an obligation and the payment thereof.  (banking) The receipt of money for presentation of a draft or check for payment at the bank on which it was drawn, or presentation of any item for deposit at the place at which it is payable.
<b>collection endorsement</b>	See endorsement.
<b>collection papers</b>	(banking) All documents (invoices, bills of lading, etc.) submitted to a buyer for the purpose of receiving payment for a shipment. See documents against payment; documents against acceptance.
<b>collections system</b>	(U.S. Customs) A part of U.S. Customs' Automated Commercial System, controls and accounts for the billions of dollars in payments collected by Customs each year and the millions in refunds processed each year. Daily statements are prepared for the automated brokers who select this service. The Collections System permits electronic payments of the related duties and taxes through the Automated Clearinghouse capability. Automated collections also meets the needs of the importing community through acceptance of electronic funds transfers for deferred tax bills and receipt of electronic payments from lockbox operations for Customs bills and fees. See Automated Commercial System.
<b>collective mark</b>	(law) A trademark or service mark that a cooperative, association, or other collective group uses in commerce. A mark used to indicate membership in a union, association, or other organization.
<b>colón</b>	The currency of:  Costa Rica, 1 ? =100 centimos;.
<b>colorable imitation</b>	(law) A mark that is so similar to another registered trademark or service mark that it may be considered as calculated to deceive an ordinary person.
<b>colorable transaction</b>	(law) A transaction that in appearance does not correspond to the actual transaction and that is usually intended to conceal or deceive.
<b>column 1 rates</b>	(U.S. Customs) The Harmonized Tariff Schedules of the United States (HTS) is an organized listing of goods and their import duty rates which is used as the basis of classifying products for entry to the United States. Column 1 duty rates in the HTS are low and apply to imports from countries that have achieved Most Favored Nation (MFN) trading status with the United States. See Harmonized Tariff Schedule of the United States; column 2 rates.
<b>column 2 rates</b>	(U.S. Customs) The Harmonized Tariff Schedules of the United States (HTS) is an organized listing of goods and their import duty rates which is used as the basis of classifying products for entry to the United States. Column 2 duty rates in the HTS apply to imports from countries that do not have Most Favored Nation (MFN) trading status with the United States. See Harmonized Tariff Schedule of the United States; column 1 rates.

<b>Term</b>	<b>Definition</b>
<b>combi aircraft</b>	See combination aircraft.
<b>combination aircraft</b>	(shipping) An aircraft capable of transporting both passengers and cargo on the same flight. Such a plane will generally carry unitized cargo loads on the upper deck of the aircraft forward of the passenger compartment. Some cargo is carried on virtually all scheduled passenger flights in the belly pits below the passenger cabin.
<b>combination in restraint of trade</b>	(law) An understanding or agreement between two or more individuals or legal entities to do the following: (1) restrict competition; (2) monopolize trade; (3) control production, distribution, and price; and (4) otherwise interfere with freedom of trade.
<b>combined bill of lading</b>	(shipping) A bill of lading covering a shipment of goods by more than one mode of transportation. See bill of lading.
<b>combined transport</b>	(shipping) Consignment sent by means of various modes of transport, such as by rail and by ocean.
<b>combined transport bill of lading</b>	(shipping) A bill of lading covering a shipment of goods by more than one mode of transportation. See bill of lading.
<b>comity</b>	(law) Courtesy, respect, and goodwill. Government agencies or courts in one jurisdiction, for example, may agree out of comity to give effect to court judgments or arbitration awards of other jurisdictions.
<b>command economy</b>	(economics) An economic system where resources and decisions about production are controlled by a central government authority.
<b>Commanditaire Vennootschap (C.V.)</b>	(Netherlands) Designation for a limited partnership in which at least one of the partners has general personal liability and at least one of the other partners has limited liability.
<b>Commerce Business Daily</b>	(publication) A daily newspaper published by the U.S. Department of Commerce which lists government procurement invitations and contract awards, including foreign business opportunities and foreign government procurements. Available from: U.S. Department of Commerce, 1401 Constitution Ave., NW, Washington, DC 20230 USA; Tel: [1] (202) 482-2000; Web: <a href="http://www.commerce.gov">www.commerce.gov</a> .
<b>Commerce Control List (CCL)</b>	(U.S.) A list of all items--commodities, software, and technical data--subject to U.S. Bureau of Industry and Security (formerly the Bureau of Export Administration) export controls. Incorporates items controlled for foreign policy and other reasons. The list adopts a totally new method of categorizing commodities and is divided into 10 general categories: (1) materials, (2) materials processing, (3) electronics, (4) computers, (5) telecommunications and cryptography, (6) sensors, (7) avionics and navigation, (8) marine technology, (9) propulsion systems and transportation equipment, and (10) miscellaneous. Replaced the former Commodity Control List as of September 1, 1991. Contact: Bureau of Industry and Security; Office of Public Affairs; Room 3895; 1401 Constitution Avenue NW; Washington, DC 20230 USA; Tel: [1] (202) 482-4811; Fax: [1] (202) 482-3617; Web: <a href="http://www.bis.doc.gov">www.bis.doc.gov</a> ; See export control classification number.
<b>commercial bank</b>	(banking) A bank that specializes in accepting demand deposits (deposits that can be withdrawn on demand by the depositor) and granting loans.
<b>commercial bill of exchange</b>	See bill of exchange.
<b>Commercial Cash Entry Processing System (CCEPS)</b>	(Canada Customs) A Canada Border Services Agency (CBSA) self-serve automated system designed to facilitate the document preparation process required for the clearance of commercial importations. Personal computers are located at counters in designated customs offices. Based on importation information that the importer inputs for goods, CCEPS calculates the applicable duties and taxes. It then generates a completed hard copy of Canadian Import Form B3. A Canadian customs officer enters the data from Form B3 into the Accelerated Commercial Release Operation Support System (ACROSS) system and forwards the form to the cashier. Once the importer has accounted for the goods, he or she receives a copy of the form stamped "duty paid" and can take delivery of goods.  For more information, go to: <a href="http://www.cbsa-asfc.gc.ca/import/services-eng.html">www.cbsa-asfc.gc.ca/import/services-eng.html</a> .

Term	Definition
<b>commercial credit</b>	(banking) A letter of credit used to facilitate a sale of goods by insuring that the seller will be paid once the seller has complied with the terms of credit that the buyer obtains. A letter of credit is usually issued by a bank (the issuer) on the request of its client (the buyer) to assure the seller that the buyer will pay for the goods sold. See letter of credit.
<b>commercial frustration</b>	(law) A legal theory that implies a condition or term into a contract, if no express provision was made, to excuse the parties when performance becomes impossible because an event occurs that the contracting parties could not have reasonably foreseen or controlled. Commercial frustration may arise, for example, if a seller's shipment is lost in a shipwreck or if a manufacturer cannot obtain raw materials because war has broken out in the country supplying them. See force majeure.
<b>commercial impracticability</b>	(law) A legal theory that implies a condition or term into a contract, if no express provision was made, to excuse either party when performance becomes impossible in practice because of the occurrence of a contingency, the nonoccurrence of which was a basic assumption for making the contract. A manufacturer, for example, who contracts to sell goods at a specific price in reliance on a subcontractor's bid to provide certain components at a low price may claim commercial impracticability if the subcontractor defaults and the manufacturer can only procure comparable components at a much higher price.
<b>Commercial Information Management System (CIMS)</b>	(U.S.) CIMS is a trade-related application using National Trade Data Bank CD-ROMs to disseminate market research and international economic data to U.S. & Foreign Commercial Service (US&FCS) domestic offices and overseas posts. The system includes data on U.S. and foreign traders and supports local collection and update of information on business contacts. Not available to the public.
<b>commercial invoice</b>	<p>(general) A document identifying the seller and buyer of goods or services, identifying numbers such as invoice number, date, shipping date, mode of transport, delivery and payment terms, and a complete listing and description of the goods or services being sold including prices, discounts and quantities.</p> <p>(customs) A commercial invoice is often used by governments to determine the true (transaction) value of goods for the assessment of customs duties and also to prepare consular documentation. Governments using the commercial invoice to control imports often specify its form, content, number of copies, language to be used, and other characteristics.</p> <p>(U.S. Customs) U.S. Customs requires that a commercial invoice provide the following information: (1) The port of entry, (2) If merchandise is sold or agreed to be sold, the time, place and names of buyer and seller; if consigned, the time and origin of shipment, and names of shipper and receiver, (3) Detailed description of the merchandise, including the name by which each item is known, the grade or quality, and the marks, numbers, and symbols under which sold by the seller or manufacturer to the trade in the country of exportation, together with the marks and numbers of the packages in which the merchandise is packed, (4) The quantities in weights and measures, (5) If sold or agreed to be sold, the purchase price of each item in the currency of the sale, (6) If consigned, the value for each item, in the currency in which the transactions are usually made or, in the absence of such value, the price in such currency that the manufacturer, seller, shipper, or owner would have received, or was willing to receive, for such merchandise if sold in the ordinary course of trade and in the usual wholesale quantities in the country of exportation, (7) The kind of currency, (8) All charges upon the merchandise, itemized by name and amount including freight, insurance, commission, cases, containers, coverings, and cost of packing; and, if not included above, all charges, costs, and expenses incurred in bringing the merchandise from alongside the carrier at the first U.S. port of entry. The cost of packing, cases, containers, and inland freight to the port of exportation need not be itemized by amount if included in the invoice price and so identified. Where the required information does not appear on the invoice as originally prepared, it shall be shown on an attachment to the invoice, (9) All rebates, drawbacks, and bounties, separately itemized, allowed upon the exportation of the merchandise, (10) The country of origin, and (11) All goods or services furnished for the production of the merchandise not included in the invoice price. The invoice and all attachments must be in the English language.</p>
<b>commercial letter of credit</b>	(banking) An instrument by which a bank lends its credit to a customer to enable him to finance the purchase of goods. Addressed to the seller, it authorizes him to draw drafts on the bank under the terms stated in the letter. See letter of credit.

<b>Term</b>	<b>Definition</b>
<b>commercial officers</b>	(diplomacy) Embassy officials who assist businesses through arranging appointments with local business and government officials, providing counsel on local trade regulations, laws, and customs; identifying importers, buyers, agents, distributors, and joint venture partners; and other business assistance. See economic officers.
<b>commercial paper</b>	(banking/law) Negotiable instruments used in commerce. Examples of commercial paper are bills of exchange, promissory notes, and bank checks. See negotiable instrument; bill of exchange.
<b>commercial risk</b>	(economics) Economic risk resulting from the normal course of operating a business. Commercial risk includes financial risk, legal risk, production risk, market risk and even the risk of failure to adapt to changing markets and technology. See political risk.
<b>commercial set</b>	(law) The primary documents for a shipment of goods. A commercial set usually includes, for example, an invoice, bill of lading, bill of exchange, and certificate of insurance.
<b>commercial treaty</b>	An agreement between two or more countries setting forth the conditions under which business between the countries may be transacted. May outline tariff privileges, terms on which property may be owned, the manner in which claims may be settled, etc.
<b>commercial zone</b>	(shipping/logistics) The area immediately surrounding a town or city that is subject to the same shipping rates as the city itself. See rate basis point.
<b>commingling</b>	The packing or mingling of various articles subject to different rates of duty in such a way that the quantity or value of each class of articles cannot readily be ascertained by Customs without the physical segregation of the shipment or the contents of any package thereof. Commingled articles are subject to the highest rate of duty applicable to any part of the commingled lot, unless the consignee or his agent segregates the articles under Customs supervision.
<b>commission</b>	(general) The amount paid to an agent, which may be an individual, a broker, or a financial institution, for consummating a transaction involving sale or purchase of assets or services.  (banking) Agents and brokers are usually compensated by being allowed to retain a certain percentage of the premiums they produce, known as a commission.
<b>Commission on Security and Cooperation in Europe</b>	(Also known as The U.S. Helsinki Commission) An economic and defense alliance whose members include all recognized countries of Europe, Canada, the USA, and the former republics of the USSR. Included are: Albania, Armenia, Austria, Azerbaijan, Belgium, Bulgaria, Belarus, Canada, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, the Holy See, Hungary, Iceland, Ireland, Italy, Kazakhstan, Kyrgyzstan, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Moldova, Monaco, Netherlands, Norway, Poland, Portugal, Romania, Russia, San Marino, Slovakia, Spain, Sweden, Switzerland, Tajikistan, Turkey, Turkmenistan, Ukraine, the United Kingdom, the United States, Uzbekistan and Yugoslavia. Note: The Federal Republic of Yugoslavia (Serbia & Montenegro) was suspended in July 1992. Contact: Commission on Security and Cooperation in Europe; 234 Ford House Office Building; 3rd and D Streets, SW; Washington, DC 20515 USA; Tel: [1] (202) 225-1901; Web: www.csce.gov.
<b>Committee on Foreign Investment in the United States (CFIUS)</b>	(U.S.) Created in 1975 to provide guidance on arrangements with foreign governments for advance consultations on prospective major foreign governmental investments in the United States, and to consider proposals for new legislation or regulation relating to foreign investment.  The authority of the Committee was amended by Section 5021 (the Exon-Florio provision) of the Omnibus Trade and Competitiveness Act of 1988 (Section 721 of the Defense Production Act), which gives the president authority to review mergers, acquisitions, and takeovers of U.S. companies by foreign interests and to prohibit, suspend, or seek divestiture in the courts of investments that may lead to actions that threaten to impair the national security.  By Executive Order in December 1988, the U.S. Treasury has authority to implement the Exon-Florio provision. CFIUS has eight members: Treasury (the chair), State, Defense, Commerce, the Council of Economic Advisors, the U.S. Trade Representative,

Term	Definition
	<p>the Attorney General, and the Office of Management and Budget.</p> <p>The Office of Strategic Industries and Economic Security serves as Commerce's representative to CFIUS. Contact: Committee on Foreign Investment in the United States, Office of International Investment; Department of Treasury; 1500 Pennsylvania Avenue, NW; Washington, DC 20220 USA; Tel: [1] (202) 622-1860; Web: <a href="http://www.ustreas.gov/offices/international-affairs/cfius/">www.ustreas.gov/offices/international-affairs/cfius/</a>.</p>
<b>commodity</b>	Broadly defined, any article exchanged in trade, but most commonly used to refer to raw materials, including such minerals as tin, copper and manganese, and bulk-produced agricultural products such as coffee, tea and rubber.
<b>commodity code</b>	(shipping) A system for identifying a given commodity by a number in order to establish its commodity rate in freight transport. See Harmonized System.
<b>commodity control list</b>	See Commerce Control List.
<b>Commodity Credit Corporation</b>	(U.S.) A U.S. government corporation controlled by the Department of Agriculture that provides financing and stability to the marketing and exporting of agricultural commodities. Contact: Commodity Credit Corporation; USDA; 1400 Independence Avenue, SW; Mail Stop 0506; Washington, DC 20250-0581 USA; Tel: [1] (703) 305-1386; Web: <a href="http://www.fsa.usda.gov/FSA/webapp?area=about&amp;subject=landing&amp;topic=sao-cc">www.fsa.usda.gov/FSA/webapp?area=about&amp;subject=landing&amp;topic=sao-cc</a> .
<b>commodity rate</b>	(shipping) The rate (charges) applicable to shipping a specific commodity between certain specified points.
<b>common agricultural policy (CAP)</b>	(European Union) A set of regulations by which member states of the European Union (EU) seek to merge their individual agricultural programs into a unified effort to promote regional agricultural development, raise standards of living for the farm population, stabilize agricultural markets, increase agricultural productivity, and establish methods of dealing with food supply security. Two of the principal elements of the CAP are the variable levy (an import duty amounting to the difference between EU target farm prices and the lowest available market prices of imported agricultural commodities) and export restitutions, or subsidies, to promote exports of farm goods that cannot be sold within the EU at the target prices.
<b>common carrier</b>	See carrier.
<b>common external tariff (CXT)</b>	(customs) A uniform tariff rate adopted by a customs union or common market such as the European Community, to imports from countries outside the union. For example, the European Common Market is based on the principle of a free internal trade area with a common external tariff (sometimes referred to in French as the Tarif Extérieur Commun--TEC) applied to products imported from nonmember countries. "Free trade areas" do not necessarily have common external tariffs.
<b>common law</b>	(law) The body of law derived from usages, customs, and judicial decisions, as distinguished from statutes. See civil law; stare decisis.
<b>common market</b>	(economics) A common market (as opposed to a free trade area) has a common external tariff and may allow for labor mobility and common economic policies among the participating nations. The European Community is the most notable example of a common market.
<b>Common Market for Eastern and Southern Africa (COMESA)</b>	<p>(Formerly, the Preferential Trade Agreement for Eastern and Southern Africa - PTA). The PTA was founded in 1981 in order to improve commercial and economic cooperation in Eastern and Southern Africa; transform the structure of national economies in the region; promote regional trade; support inter-country cooperation, cooperation in agricultural development, and improvement of transport links. Accomplishments include: tariff reductions, multilateral trade, common travellers checks, a federation of chambers of commerce, a federation of commercial banks, and a commercial Arbitration board.</p> <p>The Common Market for Eastern and Southern Africa (COMESA) was formed by members of the PTA in 1995. COMESA has established a customs union that aims to abolish all tariff and non-tariff barriers among member states.</p> <p>COMESA's members are: Angola, Burundi, Comoros, Democratic Republic of The Congo, Djibouti, Egypt, Eritrea, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Namibia, Rwanda, Seychelles, Sudan, Swaziland, Tanzania, Uganda, Zambia,</p>

<b>Term</b>	<b>Definition</b>
	Zimbabwe,. Contact: COMESA; PO Box 30051; COMESA Centre; Ben Bella Road; Lusaka 10101, Zambia; Tel: [260] (1) 229726; Fax: [260] (1) 225107; Web: www.mbendi.co.za/orgs/co4s.htm.
<b>Common Monetary Agreement</b>	A regional economic alliance of South Africa, Lesotho, and Swaziland under which member states apply uniform exchange control regulations to ensure monetary order in the region. Funds are freely transferable among the three countries, and Lesotho and Swaziland have free access to South African capital markets. Lesotho also uses the South African currency, the rand. The CMA was formed in 1986 as a result of the renegotiation of the Rand Monetary Agreement (RMA), which was originally formed in 1974 by the same member countries.
<b>common point</b>	(shipping) A point (location) serviced by two or more transportation lines.
<b>common tariff</b>	(shipping) A tariff published by or for the account of two or more transportation lines as issuing carriers. See tariff.
<b>commonwealth</b>	A free association of sovereign independent states that has no charter, treaty, or constitution. The association promotes cooperation, consultation, and mutual assistance among members. The British Commonwealth, the most notable example, included 54 states in November 2010.
<b>Commonwealth of Independent States (CIS)</b>	An association of 11 republics of the former Soviet Union established in December 1991. The members include: Russia, Ukraine, Belarus (formerly Byelorussia), Moldova (formerly Moldavia), Armenia, Azerbaijan, Uzbekistan, Turkmenistan, Tajikistan, Kazakhstan, and Kyrgyzstan (formerly Kirghiziya). Georgia is presently an "observer"; the Baltic states did not join.
<b>commuter airline</b>	(shipping/logistics) An air carrier with a prescribed time schedule for a specific route. A commuter airline generally operates over short distances and serves remote locations and small airports.
<b>Compagnie (Cie.)</b>	(France, Luxembourg) General designation for a business organization.
<b>company (Co.)</b>	(law) (a) An organization established to conduct business. (b) A legal entity established under the laws of a country, state, province or other administrative unit for the purpose of conducting business. (c) A generic and comprehensive term which may include sole proprietorships, individuals, partnerships, corporations, societies, associations, and organizations established and operating to prosecute a commercial, industrial or other legitimate business, enterprise or undertaking.
<b>comparative advantage</b>	(economics) A central concept in international trade theory which holds that a country or a region should specialize in the production and export of those goods and services that it can produce relatively more efficiently than other goods and services, and import those goods and services in which it has a comparative disadvantage. This theory was first propounded by David Ricardo in 1817 as a basis for increasing the economic welfare of a population through international trade. The comparative advantage theory normally favors specialized production in a country based on intensive utilization of those factors of production in which the country is relatively well endowed (such as raw materials, fertile land or skilled labor); and perhaps also the accumulation of physical capital and the pace of research.
<b>compensatory trade</b>	(economics) A form of countertrade where any combination of goods and services are bartered. See countertrade.
<b>competitive rate</b>	(shipping) Rate established by a transportation line to meet competition of another transportation line.
<b>complementary imports</b>	(economics) Imports of raw materials or products which a country itself does not possess or produce.
<b>compliance</b>	Conformity in satisfying official requirements. See informed compliance.
<b>composition with creditors</b>	(law) An agreement between an insolvent debtor and one or more creditors under which the creditors consent to accept less than the total amount of their claims in order to secure immediate payment. Creditors will usually prefer a composition if a debtor threatens to declare bankruptcy, because otherwise the creditors are likely to incur costs in making a legal claim against the debtor in a bankruptcy proceeding, payment of debts will be delayed during the proceeding, and the amount paid to each creditor will depend on the judicial decision in that proceeding.
<b>compound rate of duty</b>	(customs) A combination of both a specific rate of duty and an ad valorem rate of duty. For example: 0.7 cents per pound plus 10 per cent ad valorem. See duty; ad valorem; specific rate of duty.

<b>Term</b>	<b>Definition</b>
<b>compradore</b>	An intermediary, agent or advisor in a foreign country employed by a domestic individual or company to facilitate transactions with local individuals or businesses in the foreign country.
<b>compressed gases</b>	(shipping) Items requiring storage and handling under pressure in compressed gas cylinders. (UN CLASS 2.) Examples are acetylene and chlorine. Hazards/precautions are container may explode in heat or fire; contact with liquid may cause frostbite; may be flammable, poisonous, explosive, irritating, corrosive or suffocating; may be EXTREMELY HAZARDOUS.
<b>computed value</b>	<p>(U.S. Customs) Generally, the Customs value of all merchandise exported to the United States is the transaction value for the goods. If the transaction value cannot be used, then certain secondary bases are considered. The secondary bases of value, listed in order of precedence for use, are: 1) Transaction value of identical merchandise, 2) Transaction value of similar merchandise, 3) Deductive value, and 4) Computed value. The order of precedence of the last two values can be reversed if the importer so requests.</p> <p>Computed value consists of the sum of the following items: 1) Materials, fabrication, and other processing used in producing the imported merchandise, 2) Profit and general expenses, 3) Any assist, if not included in items 1 and 2, 4) Packaging costs.</p> <p>See valuation; transaction value; identical merchandise; similar merchandise; assist; deductive value.</p>
<b>concealed damage</b>	(shipping) Damage to the contents of a package which is in good order externally. See inherent vice.
<b>concealed loss</b>	(shipping) Loss from a package bearing concealed damage. See inherent vice.
<b>concord</b>	(law) An agreement between two parties that states the terms of a settlement of a right of action for a breach or wrongdoing that one of the parties has against the other. A buyer who has paid for goods but has not received them, for example, may agree to forgo the right to sue the seller for breach if the seller agrees to return the money paid. See accord and satisfaction.
<b>conditional endorsement</b>	See endorsement.
<b>conditions of carriage</b>	See contract of carriage.
<b>conference</b>	(shipping) A group of ocean freight carriers banding together, voluntarily, for the purpose of limiting and regulating competition among themselves. It may establish uniform tariff freight charges and terms and conditions of service. Conference establishment in the United States requires Federal Maritime Commission approval. Conferences in the United States are exempt from antitrust regulation. See open conference; closed conference.
<b>conference carrier</b>	(shipping) A member of an association of ocean cargo carriers that has agreed to standardize services, practices, rates and tariffs. See carrier, conference.
<b>conference line</b>	(shipping) Ocean shipping companies whose ships travel according to firmly established schedules along fixed routes. Uniform transport rates are established between the shipping lines. Such agreements are usually called conferences. The conference lines are therefore the shipping routes agreed by the conferences. See conference; open conference; closed conference.
<b>conference rate</b>	(shipping) Rates arrived at by conference of carriers applicable to transportation--generally water transportation. See conference.
<b>confirmation</b>	(law) A contract or written memorandum that ratifies, renders valid, and makes binding an agreement that was difficult to prove, invalid, or otherwise unenforceable. Parties who orally agree to a sale of goods, for example, may formalize that agreement by signing a written confirmation that contains all of the oral terms. See contract.
<b>confirmed letter of credit</b>	<p>(banking) A letter of credit which contains a guarantee on the part of both the issuing and advising banks of payment to the seller so long as the seller's documentation is in order and the terms of the letter of credit are met.</p> <p>Confirmation is only added to irrevocable letters of credit, usually available with the advising bank. If confirmation of the letter of credit is desired, the applicant must state this expressly in his/her letter of credit application. The confirming bank assumes the</p>

Term	Definition
	<p>credit risk of the issuing bank as well as the political and transfer risks of the purchaser's country.</p> <p>If a letter of credit does not contain a confirmation request by the issuing bank, in certain circumstances the possibility exists of confirming the letter of credit "by silent confirmation," i.e. without the issuing bank's knowledge. Without confirmation of the letter of credit, the advising bank will forward the letter of credit to the beneficiary without taking on its own commitment. See letter of credit.</p>
<b>confirming</b>	A financial service in which an independent company confirms an export order in the seller's country and makes payment for the goods in the currency of that country. Among the items eligible for confirmation are the goods; inland, air, and ocean transportation costs; forwarding fees; custom brokerage fees; and duties. Confirming permits the entire export transaction from plant to end user to be fully coordinated and paid for.
<b>confirming bank</b>	(banking) In letter of credit transactions, the bank that assumes responsibility to the seller (usually exporter) for payment from the issuing bank (buyer's bank) so long as the terms and conditions of the letter of credit have been met by the seller/exporter. See letter of credit.
<b>conflict diamond / blood diamond</b>	A diamond mined in a war zone and sold for the purpose of financing an armed conflict, insurgency, invasion, war or terrorism. The trade in conflict diamonds has become an ethical issue in some countries and has produced calls for regulation and control of the industry. In 2002, representatives of various governments and the diamond industry met in Kimberly, South Africa and established the Kimberly Process Certification Scheme, which provided for industry self regulation, an internationally recognized certification scheme for rough diamonds and import/export standards. Many believe that the whole process was simply a public relations event as it has done little to control trade in conflict diamonds. Given that a great deal of the retail value of most diamonds used in the jewelry trade is related to marketing, not source, it is no wonder that conflict diamonds find their way into international markets.
<b>conflict of laws</b>	(law) Differences between the laws of different countries or other jurisdictions that become significant in determining which law will apply when individuals or legal entities have acquired rights, incurred obligations, suffered injuries or damages, or made contracts in two or more jurisdictions. The rules that courts apply to resolve conflicts of laws vary among countries. In addition, different rules apply depending on the subject matter of a controversy--that is, whether a controversy involves property or personal rights. See governing law clause; lex loci actus; lex loci solutionis.
<b>connecting carrier</b>	(shipping) A carrier which has a direct physical connection with another carrier or forms a connecting link between two or more carriers.
<b>consideration</b>	(law) The price or other motivation that induces a party to make a contract. A buyer may agree, for example, to pay a sum of money or to furnish certain products as consideration for receiving the seller's goods. A contracting party may also promise to forgo a legal right, such as a right to sue for breach of contract, as consideration for the other party's promise to pay damages that resulted from the breach.
<b>consignee</b>	(shipping) The person or firm named in a freight contract to whom goods have been shipped or turned over for care. See consignor.
<b>consignee marks</b>	(shipping) A symbol placed on packages for export, generally consisting of a square, triangle, diamond, circle, cross, etc., with designed letters and/or numbers for the purpose of identification.
<b>consignment</b>	<p>(shipping) Shipment of one or more pieces of property, accepted by a carrier for one shipper at one time, receipted for in one lot, and moving on one bill of lading.</p> <p>(commerce) Delivery of merchandise from an exporter (the consignor) to an agent (the consignee) under agreement that the agent sell the merchandise for the account of the exporter. The consignor retains title to the goods until sold. The consignee sells the goods for commission and remits the net proceeds to the consignor.</p>

<b>Term</b>	<b>Definition</b>
<b>consignment contract</b>	(law) An agreement by a seller (consignor) to deliver goods to an individual or legal entity (consignee) who will pay the seller for any goods sold, less a commission, and will return goods not sold. See consignment.
<b>consignor</b>	(shipping) The individual, company or entity that ships goods, or gives goods to another for care. The consignor is usually the exporter or his agent. See consignee; consignment.
<b>consolidated container</b>	(shipping) A shipping container containing cargo from a number of shippers for delivery to a number of different consignees.
<b>consolidation</b>	(shipping) The combining of less than truckload (LTL) shipments of cargo from a number of shippers at a centrally located point of origin by a freight consolidator, and transporting them as a single shipment to a destination point. Consolidation of cargo often results in reduced shipping rates.
<b>consolidation point</b>	(logistics) A terminal, container yard, loading dock or other physical location where the consolidation of freight takes place.
<b>consolidator</b>	(shipping) A company that provides consolidation services. Freight forwarders perform the functions of a consolidator. See consolidation.
<b>consolidator's bill of lading</b>	(shipping) A bill of lading issued by a consolidating freight forwarder to a shipper. See bill of lading; house air waybill.
<b>constructed value</b>	(U.S. Customs) In customs valuation, a means of determining fair or foreign market value when sales of such or similar merchandise do not exist or, for various reasons, cannot be used for comparison purposes. The "constructed value" consists of the cost of materials and fabrication or other processing employed in producing the merchandise, general expenses of not less than 10 percent of material and fabrication costs, and profit of not less than 8 percent of the sum of the production costs and general expenses. To this amount is added the cost of packing for exportation. See valuation; transaction value.
<b>constructive total loss</b>	<p>(insurance) An insurance loss where the expense of recovering or repairing the goods would exceed their value after this expenditure had been incurred.</p> <p>In the adjustment of constructive total losses, the value of any remaining salvage abandoned to underwriters may at time, by agreement, be taken into consideration, with payment to the assured upon a net basis. Otherwise, underwriters pay full insured value and may then dispose of the salvage for their own account, provided they have elected to accept abandonment.</p> <p>A survey report may not be practicable when a total loss has taken place, but claim documents should include evidence that the shipment was actually loaded on board the ocean vessel in the full quantity claimed. If the loss was due to sea peril, a "master's protest" will usually be required. This certifies the fact that unusually heavy weather or other exceptional circumstance was encountered during the voyage and is extended to confirm the loss of the shipment in question. In claims for total loss, it is especially necessary that a full set of insurance certificates and bills of lading be submitted to the insurance company representative. See total loss, actual total loss.</p>
<b>consular declaration</b>	A formal statement, made in a country of export by the consul of an importing country, describing goods to be shipped to the importing country. See consular invoice.
<b>consular invoice</b>	(customs) An invoice covering a shipment of goods certified (usually in triplicate) by the consul of the country for which the merchandise is destined. This invoice is used by customs officials of the country of entry to verify the value, quantity, and nature of the merchandise imported. See commercial invoice.
<b>consular officers</b>	(diplomacy) Embassy officials who extend the protection of their home government to their country's citizens and property abroad. They maintain lists of local attorneys, act as liaison with police and other officials and have the authority to notarize documents.
<b>consular visa</b>	(travel/customs) Any one of several official endorsements by a consul of a country. A consular visa can be issued for travel, consular invoices, certificates of origin, shipping documents and other legal documents.
<b>consulate</b>	(diplomacy) The offices representing the commercial interests of the citizens of one country in another country.

Term	Definition
<b>consumer goods</b>	(economics) Any goods produced to satisfy the needs of individuals rather than those produced for the manufacturing or production of other goods. Examples of consumer goods are food, clothing and entertainment products. See capital goods.
<b>consumption entry</b>	<p>(general) (a) A customs entry where the importer pays applicable duty and merchandise is released from customs custody at a port, foreign trade zone or from a customs bonded warehouse. (b) The formal process for entering commercial shipments of goods into the customs territory of a country. A "formal entry."</p> <p>(U.S. Customs) (a) A U.S. Customs entry where the importer pays applicable duty and merchandise is released from customs custody at a U.S. port, foreign trade zone or from a customs bonded warehouse. (b) The formal U.S. Customs process for entering commercial shipments of goods into the Customs territory of the United States. A "formal entry."</p> <p>The entry of goods is a two-part process consisting of (1) filing the documents necessary to determine whether merchandise may be released from Customs custody, and (2) filing the documents which contain information for duty assessment and statistical purposes. In certain instances, such as the entry of merchandise subject to quotas, all documents must be filed and accepted by Customs prior to the release of goods. See entry.</p>
<b>container</b>	<p>(shipping/logistics) A single rigid, sealed, reusable metal box in which merchandise is shipped by vessel, truck or rail.</p> <p>(ISO definition) An item of equipment defined for transport purposes. It must be: a) of permanent character and accordingly strong enough to be suitable for repeated use. b) specially designed to facilitate the carriage of goods, by one or more modes of transport without intermediate reloading. c) fitted with devices permitting its ready handling, particularly from one mode of transport to another. d) so designed as to be easy to fill and empty. e) having an internal volume of 1m<sup>3</sup> or more. The term container includes neither vehicles nor conventional packing.</p> <p>All containers have construction fittings, or fastenings able to withstand, without permanent distortion, all stresses that may be applied in normal service use of continuous transportation.</p> <p>Ocean shipping containers are generally 10, 20, 30 or 40 feet (3.029, 6.058, 9.087 or 12.192m) long and 8 or 8.5 feet (2.423 or 2.575m) tall, and conform to International Standards Organization (ISO) standards. (40-foot containers are generally able to hold about 40,000 pounds or 18,000 kilos.) Ocean freight container types include: standard, high cube, hardtop, open top, flat, platform, ventilated, insulated, refrigerated and bulk (dry or wet).</p> <p>Air freight containers (ULDs or unit load devices) come in a multitude of sizes and shapes to fit the unique requirements of airplane holds and conform to standards established by the International Airline Transport Association (IATA).</p> <p>See International Standards Organization; International Air Transport Association; unit load device (ULD); and appendices for Ocean Freight Containers and Air Freight Containers.</p>
<b>container depot (CD)</b>	(logistics) A storage area, other than a container yard, where shippers and consignees may pick up or drop off empty containers. A container depot may not be owned or controlled by a shipper or its agent and may not receive loaded containers. See container yard.
<b>container freight charge</b>	(shipping) Charge made for the packing or unpacking of cargo into or from ocean freight containers.
<b>container freight station (CFS)</b>	(logistics) A carrier-designated facility at which (export) LCL (less than container load) cargo is received from consignors for consolidation and loading into containers or at which (import) LCL cargo is unloaded from containers and delivered to consignees.

<b>Term</b>	<b>Definition</b>
<b>container load</b>	(shipping) A shipment of cargo that fills a given container either by bulk or maximum weight.
<b>container load plan</b>	(logistics) (a) A list of items loaded in an individual shipping container. (b) A list of the sequence in which items are to be loaded into a shipping container. (c) A plan for the physical placement of items in a shipping container. (d) A comprehensive list of items loaded into a shipping container including their weight, measurements, markings, consignors, consignees, countries of origin, countries of destination, and the physical location of items within the container.
<b>container on flat car</b>	(shipping/rail shipping) A shipping container without chassis, bogies or wheels that is transported on a rail flat car.
<b>container part load</b>	(shipping) A shipment of cargo that in either volume or weight is not sufficient to fill any one of many standard containers.
<b>container platform</b>	(logistics) A flat rigid container floor without side or end walls, usually 20 or 40 feet in length, fitted with devices permitting ready handling and used for intermodal operations.
<b>container prefix</b>	(logistics) A four-letter code that identifies the owner of a container and is the prefix of a container number. For example, in the container number ABCD-123456-7, ABCD is the container prefix (owner's code), 123456 is the serial number, and 7 is the check digit.
<b>Container Security Initiative (CSI)</b>	<p>(U.S. Customs) A U.S. Customs and Border Protection (CBP) initiative that serves to protect the global trading system and the trade lanes between CSI ports and the U.S.</p> <p>Under the CSI program, a team of CBP officers is deployed to work with host nation counterparts to identify and examine all U.S.-bound containers that pose a potential threat for terrorism before they are shipped to the United States. The concept is to prevent terrorist threats from being carried out and to make U.S. borders the last line of defense, not the first.</p> <p>The CSI is founded on four core elements:</p> <ol style="list-style-type: none"> <li>1. Using intelligence and automated information to identify and target containers that pose a risk for terrorism;</li> <li>2. Pre-screening those containers that pose a risk at the port of departure before they arrive at U.S. ports;</li> <li>3. Using detection technology to quickly pre-screen containers that pose a risk; and</li> <li>4. Using smarter, tamper-evident containers.</li> </ol> <p>See the CSI section in the Security appendix.</p>
<b>container serial number</b>	(logistics) The unique identification number of an individual shipping container consisting of a three-letter owner's code, a single-letter product group code, a six-digit container serial number, and a check digit. For example, in the container number ABCU-123456-7, ABC is the container prefix (owner's code), U refers to a container, 123456 is the serial number, and 7 is the check digit.
<b>container ship</b>	See container vessel.
<b>container skeletal carrier</b>	(road transportation) A truck trailer designed to transport standard international cargo containers of 20-53 feet. Some models are designed in adjustable ("zoom") configurations to work with a range of different-sized standard and non-standard containers. The standard axle/wheel configuration is 2-axle/8-wheel. For heavier loads, 3-axle/12-wheel configurations are available. Specially designed brackets lock the container to the carrier.
<b>container stack railcar</b>	(rail transportation) A platform-type railroad car designed to carry international standard 20-, 40-, 45-, 48, and 53-foot ocean freight containers in various stacking combinations.

Term	Definition
<b>container terminal</b>	(shipping/logistics) An area at the end of a rail, ship, air or truck line which serves as a loading, unloading and transfer point for cargo and containers. Container terminals often include loading equipment, storage facilities, repair facilities and management offices.
<b>container vessel</b>	<p>(shipping) An oceangoing vessel designed to carry uniform-sized ocean freight containers of 20 or 40 foot lengths, 8 foot width, and 8.5 to 9.5 foot height. Containers are loaded into tall slots that extend from three to six containers below deck to three to six containers above deck. The containers are then connected at the corners with locking devices. Container ships vary dramatically in size and capacity. In contrast to dimensional specifications in width and length, as given for most vessels, container vessel specifications are in TEUs or twenty-foot equivalent units (how many standard 20-foot containers the vessel can carry). Very small container vessels might carry as few as 20 TEUs, but large modern vessels typically carry 1,000 TEUs or more. Currently, the largest container vessel in the world is 1,060 feet (323 m) long, 138 feet (42 m) wide, has a draught of 47.5 feet (14.5 m) when fully laden, and has a capacity of 8,063 TEUs.</p> <p>Container vessels carry any cargo that can be stowed into any of the following container types: general purpose, high cube, hardtop, open top, flat, platform, insulated, ventilated, bulk, refrigerated (reefer), and tank-type. Containerized cargo can include merchandise in cartons, bales, and drums, as well as cars, furniture, electronics, food, livestock, chemicals, and machinery. Oversize cargo such as heavy machinery, trucks, earth-moving equipment, and pleasure boats can be placed in or on open-top, open-side, or flat-rack containers or secured to the tops of several containers in a row.</p>
<b>container yard (CY)</b>	(logistics) A facility at which FCL (full container load) and empty containers are received from or delivered to consignors and consignees by or on behalf of a carrier. Container yards are also used as a facility to receive merchandise from consignors for packing into containers. Synonym: marshalling yard. See container depot.
<b>containerization</b>	<p>(shipping) The practice and technique of unitizing cargo in a boxlike device (container) in which a number of packages are stored and transported as a single unit. Containerization facilitates transit between trucks, trains, and ships, as well as for storage, from an original location to a final destination.</p> <p>Advantages of containerization include: less handling of cargo, more protection against pilferage, less exposure to the elements, and reduced cost of shipping.</p> <p>(air freight) Container descriptions have been broadened to include a unitized load on a carrier-owned pallet (unit load device or ULD) , loaded by shippers, and unloaded by receivers at places other than on airline premises, and restrained and contoured so as to permit proper positioning and tiedown aboard an aircraft.</p>
<b>Contango</b>	(banking/finance/foreign exchange) The amount (generally a percentage) a buyer pays a seller to delay transfer of a stock, security or foreign exchange to the next or any future day. The opposite of backwardation.
<b>contingency insurance</b>	<p>(insurance) Also called difference in conditions insurance. Insurance which protects the interests of the insured in the event another party's insurance fails or falls short. Commonly used in both import and export situations:</p> <p>Example 1: Exporting</p> <p>There are several countries whose laws require that marine insurance on shipments to those countries be placed with local insurance companies. This has the effect of requiring the importer to furnish the insurance. The quality and extent of coverage of this insurance, however, may be in question. If the exporter feels that he has insurable interest he can still protect himself by the purchase of contingency or difference in conditions insurance which protects his own interests in the event the importer's insurance fails or falls short. While the cost of this is naturally less than the cost of primary insurance, it must be borne by the exporter.</p>

Term	Definition
	<p>Example 2: Importing</p> <p>A domestic buyer on CIF (Cost, Insurance, Freight) terms must rely upon foreign underwriters, since the insurance will have been placed by the seller in the country of origin. Once again, the quality and extent of coverage of this insurance may be in question. If the importer feels that he has insurable interest he can still protect himself by the purchase of "contingency" or "difference in conditions" insurance which protects his own interests in the event the exporter's insurance fails or falls short. Note: By purchasing on FOB, C &amp; F or similar terms, the domestic importer can control his own insurance. He will then be able to deal with his own underwriters in case of loss or in case of demand for general average security. See insurable interest.</p>
<b>contingency policy</b>	(insurance) Insurance designed to cover sellers (exporters) for risks that devolve from reliance upon the buyer's (importer's) insurance to cover loss or damage. For example, an exporter may have sold on open account with FOB terms. This makes the buyer responsible for insurance once the goods are loaded on board the ship (Incoterms 2010), but what if the buyer does not have valid insurance? If the goods are lost or damaged, especially prior to importation, the buyer may not be able or willing to make payment to the seller. Exporters who obtain contingency insurance are advised not to let the buyer/importer know that the policy has been established. See contingency insurance.
<b>continuous replenishment planning (CRP)</b>	(logistics) A supply management system of regular or automatic shipments of raw materials, component parts or finished goods based upon a user's determined or projected needs over specific units of time. For example, a hospital might have an automated inventory system that feeds into a vendor's order system on a real-time basis via a computer link. If the current inventory of an item falls below a specified minimum based upon mutually defined stock level indicators, the vendor may either automatically send a set volume of the required item or automatically send a request for a purchase order to the hospital for the required item. Such systems are based upon formal supply contracts and enable purchasers to both negotiate a lower price as well as maintain smaller average inventories at their place of business.
<b>contra; contra account</b>	(banking) An account with an offsetting credit or debit entry. In accounting, a contra account is generally the right-hand or credit side of a balance sheet in which the liabilities appear.
<b>contraband</b>	(customs) Any product which a nation has deemed to be unsuitable to produce, possess or transport. Any product that a country has deemed to be unsuitable for entry into that country. Contraband is subject to interdiction, possible forfeiture and possible destruction by customs authorities. Examples of contraband are narcotic drugs (most countries), alcohol (certain Islamic countries), seditious literature (many countries), sexually oriented goods and literature (many countries).
<b>contract</b>	<p>(law) An agreement made between two or more parties who promise to perform or not to perform specified acts, which agreement creates for each party a legal duty and the right to seek a remedy for breach of that duty.</p> <p>(a) A constructive or implied contract is an agreement that is implied by law from the circumstances of a business dealing and in accordance with the common understanding between reasonable persons in order to carry out the intent of the parties and do justice between them. (b) An express contract is an oral or written agreement the terms of which are explicitly declared when the contract is made. (c) An executory contract is one that has not been performed.</p>
<b>contract carrier</b>	(shipping) Any person not a common carrier who under special and individual contracts or agreements, transports passengers or property for compensation. See carrier.
<b>contract manufacturing</b>	(a) An agreement whereby a company agrees to manufacture a product to the specifications of another company or individual. This can be on an exclusive or nonexclusive sales basis. (b) An agreement by two companies to manufacture separate components of a product and jointly manufacture and sell the finished product in their respective markets.
<b>contract of affreightment</b>	(shipping/law) A contract between a carrier and a shipper to carry goods by sea or by air. Bills of Lading and Airway Bills are contracts of affreightment.

<b>Term</b>	<b>Definition</b>
<b>contract of carriage</b>	(shipping) The contract between the shipper (consignor) and carrier (shipping firm) for the transport of freight, including the terms and conditions of carriage and costs to the shipper. These conditions are printed on the bill of lading or air waybill and include such items as limits of liability, claims limitations, indemnity and dimensional weight rules. See bill of lading.
<b>contracting parties</b>	(law) Two or more individuals, companies or groups who are signatories to an agreement or contract.
<b>Convention on Contracts for the International Sale of Goods</b>	(law) A United Nations convention which establishes uniform legal rules governing formation of international sales contracts and the rights and obligations of the buyer and seller. The CISG applies automatically to all contracts for the sale of goods between traders from two different countries that have both ratified the CISG, unless the parties to the contract expressly exclude all or part of the CISG or expressly stipulate a law other than the CISG. The CISG became the law of the United States in January 1988.
<b>Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)</b>	An international convention that controls and/or prohibits trade in endangered and threatened species of fauna and flora. Over 100 nations participate in the treaty that took effect in May 1977. The United States is a signatory to the treaty.
<b>conventional arms transfer</b>	The transfer of nonnuclear weapons, aircraft, equipment, and military services from supplier states to recipient states.  (U.S.) U.S. arms are transferred by grants as in the U.S. Military Assistance Program (MAP); by private commercial sales; and by government-to-government sales under Foreign Military Sales (FMS). MAP provides defense articles and defense services to eligible foreign governments on a grant basis.  FMS provides credits and loan repayment guarantees to enable eligible foreign governments to purchase defense articles and defense services.
<b>convertibility</b>	(banking/foreign exchange) Ease of exchanging one currency for that of another nation or for gold.
<b>convertible currency</b>	(foreign exchange) Currency that can be easily exchanged, bought and sold for other currencies.
<b>conveyance</b>	(law) A document effecting the transfer of property title from one entity to another.  (shipping/logistics) A means of transportation of people or goods.
<b>conveyancing</b>	(UK) British term for buying and selling properties.
<b>coordinated movement</b>	(shipping) The extending of freight transportation systems to intermediate and smaller size communities through the use of interline agreements and the use of combined services of truck/air, helicopters, regional, and commuter airlines. In many cases such traffic moves under a joint freight rate. The success of such combined service hinges on preplanning on the part of the carriers, and often on the part of shippers, with regard to production and distribution schedules.
<b>Coordinating Committee on Multilateral Export Controls (CoCom)</b>	(obsolete) CoCom was an informal organization established in 1951 by NATO member countries to cooperatively restrict strategic exports (products and technical data) to controlled countries.  CoCom has been replaced with the Wassenaar Arrangement. See Wassenaar Arrangement.
<b>copyleft</b>	A play on the legal term "copyright" and essentially a "Public License" for computer software. Public license notices carried by GNU EMACS and the Free Software Foundation grant a series of rights to use, access source code, adapt, improve and distribute the software for free. For information go to <a href="http://www.gnu.org">www.gnu.org</a> and <a href="http://www.fsf.org">www.fsf.org</a> .
<b>copyright</b>	(law) An intangible right granted by law to the creator of a literary, musical, or artistic production to prevent any other person from copying, publishing, and selling those works. A copyright owner holds the sole and exclusive privilege to copy, publish, and sell the copyrighted work for the period specified by law. In general, copyright protection is available only after the work is fixed

Term	Definition
	<p>in a tangible medium, such as on paper, tape, canvas, or other materials, from which the work can be seen, reproduced, or otherwise communicated. It is not available to protect an idea, concept, procedure, process, system, operation method, principle, or discovery, but only the work as presented in a tangible medium. The works that can be copyrighted, the requirements for claiming a copyright, the extent of enforcement, and the time during which a copyright is effective varies from country to country. In the United States, for example, a copyright remains effective until 50 years after the death of the creator. In an effort to standardize copyright protection worldwide, many countries have become members of several international conventions on copyrights, including the Berne Convention for the Protection of Literary and Artistic Works, the Universal Copyright Convention, the UNESCO Treaty, the Convention for Protection of Producers of Phonograms against Unauthorized Duplication of Their Phonograms, and the International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations. See Berne Convention for the Protection of Literary and Artistic Works; Universal Copyright Convention.</p>
<b>córdoba</b>	The currency of Nicaragua. C\$1=100 centavos.
<b>core competencies</b>	<p>(a) The most essential set of skills an organization possesses that enables it to be successful. (b) The skills an organization possesses that differentiate it from other organizations in its industry or field.</p> <p>Core competencies are what an organization does best, and (hopefully) better than anyone else. Core competencies might be R&amp;D, design, production, management, customer relations, distribution, sales, or after-the-sale services.</p>
<b>core inflation</b>	(economics) The basic level of inflation over a period of time (e.g., a decade) as opposed to temporary fluctuations in the rate.
<b>corporate dumping</b>	The practice of exporting banned or out-of-date products from a domestic market to another national market where they are not banned or where regulations are more lax than in the domestic market. Out-of-date pharmaceuticals, for example, might be shipped from the U.S. to an Asian country that does not impose the same restrictions on the product.
<b>corporation</b>	(law) An association or entity created by persons under the authority of the laws of a particular jurisdiction. A corporation is treated as distinct from the persons (referred to as shareholders) who created it, and therefore the shareholders enjoy limited liability and the corporation has certain legal rights, such as the right to own property, enter contracts, and bring suit, similar to those given to individuals. See person.
<b>correspondent bank</b>	(banking) A bank that acts as a depository for another bank, accepting deposits and collecting items (such as drafts) on a reciprocal basis. Correspondent banks are often in different countries.
<b>corrosives</b>	(shipping) Items include materials that cause destruction to human tissue and corrode metal (i.e. steel) upon contact. (UN CLASS 8.) Examples are sodium hydroxide, hydrochloric acid, alkaline liquid. Hazards/precautions are contact causes burns to skin and eyes; may be harmful if breathed; fire may produce poisonous fumes; may react violently with water; may ignite combustibles; and explosive gasses may accumulate.
<b>Cost and Freight (. . . named port of destination) (CFR)</b>	<p>(Incoterms© 2010, enter into force January 1, 2011)</p> <p>One of the 11 Incoterms© 2010.</p> <p>In Cost and Freight, the seller/exporter/manufacturer clears the goods for export and delivers them on board the ship at the port of shipment (not destination). This is where risk passes from seller to buyer.</p> <p>The seller, however, is responsible for contracting for and paying the costs associated with transport of the goods to the "named port of destination." This is where costs transfer from seller to buyer.</p> <p>It is important to note that the transfer of risk from seller to buyer occurs at a different point than the transfer of costs.</p>

Term	Definition
	<p>When using the CFR term, it is advisable to clearly specify in the contract of sale, and in contracts of carriage, not only the named port of destination, but also the precise point at or within the named port of destination.</p> <p>With CFR, the seller has the option to deliver the goods on board the vessel, or to "procure goods already so delivered." This is a reference to so-called "string sales" where a single shipment might be resold multiple times during transport, as is common in the commodity trade.</p> <p>The named destination in CFR is a port, and therefore the term is used only for ocean or inland waterway transport.</p> <p>If the shipment is containerized or to be containerized, common practice is to deliver the shipment to the carrier at a terminal and not on board a ship. In such situations, the CPT term is recommended.</p> <p>With CFR, the named port of destination is domestic to the buyer.</p> <p>The CFR term is commonly used the sale of a) bulk commodity cargo such as oil, grains, and ore, b) oversize and overweight cargo that will not fit into an ocean container, and c) cargo that exceeds the weight limitations of ocean containers.</p> <p>See World Trade Press Illustrated Guide to Incoterms© 2010 Appendix for details.</p>
<b>Cost and Freight (...named port of destination) (CFR)</b>	<p>(obsolete-Incoterms 2000) An international trade term of sale in which, for the quoted price, the seller/exporter/manufacturer clears the goods for export and is responsible for delivering the goods past the ship's rail at the port of shipment (not destination).</p> <p>The seller is also responsible for paying for the costs associated with transport of the goods to the named port of destination. However, once the goods pass the ship's rail at the port of shipment, the buyer assumes responsibility for risk of loss or damage as well as any additional transport costs.</p> <p>The Cost and Freight term is commonly used in the sale of oversize and overweight cargo that will not fit into an ocean freight container or exceeds weight limitations of such containers. The term is also used for LCL (less than container load) cargo and for the shipment of goods by rail in boxcars to the ocean carrier.</p> <p>See Cost and Freight, Incoterms© 2010 below.</p>
<b>cost of goods sold</b>	(economics/accounting) The purchase price of goods sold during a specified period, including transportation costs.
<b>cost of production</b>	(economics) The sum of the cost of materials, fabrication and/or other processing employed in producing the merchandise sold in a home market or to another country together with appropriate allocations of general administrative and selling expenses. COP is based on the producer's actual experience and does not include any mandatory minimum general expense or profit as in "constructed value." See valuation; constructed value.
<b>cost plus (time and materials plus)</b>	A pricing method whereby the purchaser agrees to pay the vendor for actual costs of labor, materials, and overhead, plus a fixed percentage of total costs as profit. This model is often used for performing services that require an unknown amount of work such as research and development projects. In this model, a vendor will typically supply a full-time project team, a project manager, equipment, and infrastructure based upon project specifications. Cost plus contracts are usually monitored through weekly or monthly time sheets and detailed progress reports.

Term	Definition
	<p>The disadvantage to the client is that this model does not provide incentives for the vendor to perform the service with the greatest efficiency. Therefore, cost plus pricing without some element of cost control is not recommended. If cost plus pricing is needed due to special requirements of the work, then a "Not to Exceed" clause is recommended.</p> <p>Cost plus pricing is a good model when there are many unknowns to the project, the client and vendor have experience working together, AND the client trusts the vendor to perform efficiently.</p>
<p><b>Cost, Insurance, and Freight (. . . named port of destination) (CIF)</b></p>	<p>(Incoterms© 2010, enter into force January 1, 2011)</p> <p>One of the 11 Incoterms© 2010.</p> <p>In Cost, Insurance, and Freight, the seller/exporter/manufacturer clears the goods for export and delivers them on board the ship at the port of shipment (not destination). This is where risk passes from seller to buyer.</p> <p>The seller, however, is responsible for contracting for and paying the costs associated with transport of the goods and minimum cover insurance to the "named port of destination." This is where costs transfer from seller to buyer.</p> <p>It is important to note that the transfer of risk from seller to buyer occurs at a different point than the transfer of costs.</p> <p>When using the CIF term, it is advisable to clearly specify in the contract of sale and in contracts of carriage, not only the named port of destination, but also the precise point at or within the named port of destination.</p> <p>With CIF, the seller has the option to deliver the goods on board the vessel, or to "procure goods already so delivered." This is a reference to so-called "string sales" where a single shipment might be resold multiple times during transport, as is common in the commodity trade.</p> <p>The named destination in CIF is a port, and therefore the term is used only for ocean or inland waterway transport.</p> <p>If the shipment is containerized or to be containerized, common practice is to deliver the shipment to the carrier at a terminal and not on board a ship. In such situations, the CIP term is recommended.</p> <p>With CIF, the named port of destination is domestic to the buyer.</p> <p>The CIF term is commonly used in the sale of a) bulk commodity cargo such as oil, grains, and ore, b) oversize and overweight cargo that will not fit into an ocean container, and c) cargo that exceeds the weight limitations of ocean containers.</p> <p>See World Trade Press Illustrated Guide to Incoterms© 2010 Appendix for details.</p>
<p><b>Cost, Insurance, and Freight (...named port of destination) (CIF)</b></p>	<p>(obsolete-Incoterms 2000) An international trade term of sale in which, for the quoted price, the seller/exporter/manufacturer clears the goods for export and is responsible for delivering the goods past the ship's rail at the port of shipment (not destination).</p> <p>The seller is responsible for paying for the costs associated with transport of the goods to the named port of destination. However, once the goods pass the ship's rail at the port of shipment, the buyer assumes responsibility for risk of loss or damage as well as any additional transport costs.</p>

Term	Definition
	<p>The seller is also responsible for procuring and paying for marine insurance in the buyer's name for the shipment.</p> <p>See Cost Insurance and Freight, Incoterms© 2010 below.</p>
<b>costs of manufacture (COM)</b>	(U.S. Customs) In the context of dumping investigations, the costs of manufacture, COM, is equal to the sum of the materials, labor and both direct and indirect factory overhead expenses required to produce the merchandise under investigation. See dumping.
<b>cottage industry</b>	(economics) A business dependent upon a labor force that works out of their own homes and often with their own equipment rather than in a firm's factory or workshop. Cottage industry workers are provided with the materials and are paid on a piecework basis. Also called the "Domestic System." See homesourcing.
<b>Council of Economic Advisers</b>	(U.S. government) A three-member executive office of the president which analyzes the U.S. economy, advises the president on economic developments, appraises programs and policies, and recommends policies for economic growth to the president. Contact: President's Council of Economic Advisers, The White House, Washington, DC 20502; Web: <a href="http://www.whitehouse.gov/administration/eop/cea/">www.whitehouse.gov/administration/eop/cea/</a> .
<b>Council of Europe</b>	A regional alliance established in May 1949 to encourage unity and social and economic growth among members, which currently include: Austria, Belgium, Bulgaria, Cyprus, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, San Marino, Spain, Sweden, Switzerland, Turkey, and the United Kingdom. Contact: The Council of Europe; Avenue de l'Europe; 67075 Strasbourg Cedex, France; Tel: [33] (3) 88-41-20-00; Web: <a href="http://www.coe.int">www.coe.int</a> .
<b>Council of Supply Chain Management Professionals (CSCMP)</b>	(logistics; until 2005, the Council of Logistics Management (CLM)) A not-for-profit organization of logistics professionals dedicated to the improvement of logistics management skills. The CSCMP works in cooperation with industry and other NGOs (nongovernmental organizations) to further the understanding and development of the logistics concept. The organization focuses on three main areas: 1) improving communication between members of the logistics profession, 2) conducting research into logistics and 3) building awareness of the importance of logistics in the world economy. The CLM promotes various activities and seminars throughout the year. Membership is open to any individual and its 15,000 members hail from countries all around the world. Contact: Council of Supply Chain Management Professionals; 333 East Butterfield Road, Suite 140; Lombard, Illinois 60148 U.S.A; Tel: [1] (630) 574-0985; Web: <a href="http://cscmp.org">http://cscmp.org</a> .
<b>counteroffer</b>	(law) A reply to an offer that adds to, limits, or modifies materially the terms of the offer. A seller, for example, who accepts a buyer's offer, but informs the buyer that the goods will be of a different color has made a counteroffer. See acceptance; offer.
<b>counterpurchase</b>	See countertrade.
<b>countertrade</b>	<p>An umbrella term for several sorts of trade in which the seller is required to accept goods or other instruments or trade, in partial or whole payment for its products.</p> <p>Countertrade transactions include barter, buy-back or compensation, counterpurchase, offset requirements, swap, switch, or triangular trade, evidence or clearing accounts.</p> <p>The main types are:</p> <p>(a) Counterpurchase (one of the most common forms of countertrade), where an exporter agrees to purchase a quantity of unrelated goods or services from a country in exchange for and in approximate value to the goods he or she has sold.</p> <p>(b) Offset, where the exporter agrees to use goods and services from the buyer's country in the product being sold. Offsets may</p>

Term	Definition
	<p>be direct or indirect, depending on whether the goods and services are integral parts of the product. In a direct offset, a U.S. manufacturer selling a product in a country uses a component that is made in the purchasing country. In an indirect offset, the exporter would buy products made in the purchasing country that are peripheral to the manufacture of its product.</p> <p>(c) Compensation or buy-back , where exporters of heavy equipment, technology, or even entire facilities agree to purchase a certain percentage of the output of the new facility once it is in production.</p> <p>(d) Barter, which is a simple swap of one good for another. Two parties directly exchange goods deemed to be of approximately equivalent value without any flow of money taking place.</p> <p>(e) Switch trading is a more complicated form of barter that involves a chain of buyers and sellers in different markets. A switch arrangement permits the sale of unpaid balances in a clearing account to be sold to a third party, usually at a discount, that may be used for producing goods in the country holding the balance.</p> <p>(f) Swap, where products from different locations are traded to save transportation costs. For example, Russian oil may be "swapped" for oil from a Latin American producer, so the Russian oil can be shipped to a country in South Asia, while the Latin American oil is shipped to Cuba.</p> <p>(g) Reverse countertrade, where an importer (a U.S. buyer of machine tools from Poland, for example) is required to export goods equivalent in value to a specified percentage of the value of the imported goods--an obligation that can be sold to an exporter in a third country.</p> <p>(h) Clearing agreements between two countries, which is an agreement to purchase specific amounts of each other's products over a specified period of time, using a designated "clearing currency" in the transactions.</p>
<p><b>countervailing duties</b> <b>("CVD")</b></p>	<p>(customs) Special duties imposed on imports to offset the benefits of subsidies to producers or exporters in the exporting country.</p> <p>(WTO) The World Trade Organization (WTO) "Agreement on Subsidies and Countervailing Measures" permits the use of such duties if the importing country can prove that the subsidy would cause injury to domestic industry.</p> <p>(U.S.) The Executive Branch of the U.S. government has been legally empowered since the 1890s to impose countervailing duties in amounts equal to any "bounties" or "grants" reflected in products imported into the United States. Under U.S. law and WTO rules a wide range of practices are recognized as constituting subsidies that may be offset through the imposition of countervailing duties. The Trade Agreements Act of 1979, through amendments to the Tariff Act of 1930 (both U.S. laws) established rigorous procedures and deadlines for determining the existence of subsidies in response to petitions filed by interested parties such as domestic producers of competitive products and their workers. In all cases involving subsidized products from countries recognized by the United States as signatories to the Agreement on Subsidies and Countervailing Duties, or countries which have assumed obligations substantially equivalent to those under the Agreement, U.S. law requires that countervailing duties may be imposed only after the U.S. International Trade Commission has determined that the imports are causing or threatening to cause material injury to an industry in the United States.</p> <p>Countervailing duties in the U.S. can only be imposed after the International Trade Commission has determined that the imports are causing or threatening to cause material injury to a U.S. industry.</p>

Term	Definition
	See dumping; General Agreement on Tariffs and Trade; International Trade Commission.
<b>countervailing duty deposit</b>	(U.S. Customs) A cash deposit of estimated countervailing duties collected by U.S. Customs and Border Protection (CBP) at the time new customs entries are made for imports of products from countries for which the U.S. International Trade Administration (ITA) has issued a countervailing duty order. The actual amount of duty to be paid is determined at liquidation. See countervailing duty, liquidation.
<b>country desk officers</b>	(U.S. government) Country-specific export trade specialists working at the U.S. Department of Commerce in Washington, DC. Country desk officers provide assistance to U.S. exporters on a country-specific, rather than commodity-specific basis. Their responsibility is to remain current on any issues that would affect U.S. exporters and travelers in the specific country. For information call the United States Department of Commerce; Tel: [1] (202) 482-2000, or the Trade Information Center; Tel: [1] (800) USA-TRADE. See U.S. Department of Commerce.
<b>country marketing plan</b>	(U.S.) An analysis of a country's business and economic climate, giving emphasis to marketing and trade issues. Usually prepared by the U.S. embassy in the subject country and published by the U.S. Department of Commerce, International Trade Administration. Also available on CD-ROM in the National Trade Data Bank, and available from the U.S. Department of Commerce, 1401 Constitution Ave., Washington, DC 20230 USA; Tel: [1] (202) 482-2000.
<b>country of departure</b>	(shipping) The country from which a ship or shipment has or is scheduled to depart.
<b>country of destination</b>	(shipping) The country that is the ultimate destination for a ship or shipment of goods.
<b>country of dispatch</b>	(shipping) The country from which cargo was shipped.
<b>country of export destination</b>	The country where the goods are to be consumed, further processed, or manufactured, as known to the shipper at the time of exportation. If the shipper does not know the country of ultimate destination, the shipment is credited for statistical purposes to the last country to which the shipper knows that the merchandise will be shipped in the same form as when exported.
<b>country of exportation</b>	(shipping) Usually, but not necessarily, the country in which merchandise was manufactured or produced and from which it was first exported. For example, merchandise made in Switzerland and shipped to the United States through Frankfurt, Germany, has as the country of exportation Switzerland.
<b>country of origin</b>	<p>(shipping/logistics/customs) (a) The country in which a shipment of goods was wholly grown, mined or manufactured. (b) The country which, for purposes of a country's import duty, quotas and other restrictions or prohibitions, a shipment of goods was grown, mined or manufactured.</p> <p>For purposes of definition (b), one country's import regimen may state that the country of origin of a product is the last country in which it underwent a substantial transformation, while another country may state that the country of origin is the country which added the greatest value.</p> <p>(U.S. Customs) In instances where the country of origin cannot be determined, transactions are credited to the country of shipment.</p>
<b>country risk</b>	<p>(economics) A group of risk factors associated with trading with, operating in, lending to, or holding the assets of an individual, business, or governmental entity of a particular country. These risks relate to the political, economic or social instability of a country.</p> <p>A number of organizations that specialize in country risk analysis create composite indexes of country risk based upon the type of transaction contemplated with a legal person or entity of another country.</p> <p>Country risk can be based on a multitude of factors, including a country's economic and political policies, government</p>

<b>Term</b>	<b>Definition</b>
	intervention in the business community, legal system and enforcement, transparency, copyright and patent law and enforcement, inflation, exchange rates, bribery, regional issues such as political and civil unrest, war, and crime among others.
<b>courier</b>	(shipping) (a) An attendant who accompanies a shipment (generally of documents). (b) A company that provides full transportation service, without an accompanying attendant, offering door-to-door air service for time-sensitive documents or small packages on a same-day or next-day basis. Examples are DHL, FedEx (Federal Express) and UPS (United Parcel Service).
<b>Court of International Trade, United States</b>	The successor organization to the U.S. Customs Court. The U.S. Customs Courts Act of 1980 clarified and expanded the status, jurisdiction, and powers of the former United States Customs Court and changed the name of the court to the United States Court of International Trade. The new name more accurately describes the court's expanded jurisdiction and its increased judicial functions relating to international trade disputes. The United States Court of International Trade "creates a comprehensive system for judicial review of civil actions arising out of import transactions and federal statutes affecting international trade." Contact: United States Court of International Trade, One Federal Plaza, New York, New York 10278-0001, USA, Tel: (212) 264-2800, Web: www.cit.uscourts.gov.
<b>courtage</b>	(banking) A European term for brokerage fee.
<b>cover note</b>	(insurance) Often also called "broker's cover note." Document issued by insurance companies or insurance brokers in lieu of insurance policies or insurance certificates which serves as proof of usual insurance notification and represents cover approval. Cover notes may be accepted under letters of credit only when they are expressly permitted.
<b>cover; coverage</b>	See insurance coverage.
<b>crate</b>	A shipping container, most typically made of wood, used to transport large, heavy, fragile, or awkward items. A shipping crate is a self-supporting structure, with all six of its sides covered. Shipping crates may be made from wood, plastic, fiberglass, steel, aluminum. A crate may also be attached to a shipping pallet for ease of transport. See pallet box.
<b>credit arrangements</b>	A series of programs under which service providers (such as ocean and air carriers, trucking companies, customs brokers and freight forwarders) extend credit to shippers and consignees for the payment of charges.
<b>credit risk insurance</b>	(insurance) Insurance designed to cover risks of nonpayment for delivered goods.
<b>creditor nation</b>	(economics) A nation that is owed more foreign currency obligations than it owes other nations. See debtor nation.
<b>creeping nationalization</b>	(economics/law) A continuing sequence of small but material changes to a firm's status that leads to nationalization. See nationalization.
<b>crewman</b>	(shipping/air transport) (a) A member of a ship's crew. (b) A member of a flight (airplane) crew.
<b>critical circumstances</b>	(U.S. Customs) A determination made by the Assistant Secretary for Import Administration as to whether there is a reasonable basis to believe or suspect that there is a history of dumping in the United States or elsewhere of the merchandise under consideration, or that the importer knew or should have known that the exporter was selling this merchandise at less than fair value, and there have been massive imports of this merchandise over a relatively short period. This determination is made if an allegation of critical circumstances is received from the petitioner. See dumping.
<b>cross rate</b>	(foreign exchange) Exchange rate parities which are not quoted against the dollar.
<b>cross-currency exchange risk</b>	(banking/foreign exchange) The exchange risk inherent in carrying out foreign exchange transactions in two or more currencies.
<b>cross-docking</b>	(logistics) The immediate transfer of cargo from one transport vehicle to another eliminating the intervening steps of receiving and shipping, thus facilitating the flow of product and reducing costs.
<b>crossed check</b>	(banking) A check that bears on its face two parallel transverse lines and that cannot be presented for cash. A bank that accepts the check may pay the proceeds only to another bank, which will credit the money to the account of the payee of the check. A

<b>Term</b>	<b>Definition</b>
	crossed check may also include the words "and company." A specially crossed check contains in the crossing lines the name of the bank that will honor the check.
<b>cube out</b>	(shipping/logistics) When a shipping container has been filled by volume but has not reached its maximum weight limit.
<b>cubic capacity</b>	(shipping) The carrying capacity of a container according to measurement in cubic feet, cubic centimeters or cubic meters.
<b>cubic foot</b>	(measurement) A unit of volume measurement equal to 1,728 cubic inches.
<b>currency</b>	(banking/foreign exchange) Name given to the material form of a country's payment medium, for example, "Swiss francs, divided into 100 centimes."
<b>currency (term) of insurance</b>	<p>(insurance) A statement of insurance coverage expressed either in time, or for transit from two physical points. For example: one year commencing on a specific date and time, or, from point a to point b.</p> <p>Formerly, the marine insurance policy covered only from the time goods were actually loaded on board an ocean vessel at the port of shipment until they were "discharged and safely landed" at the port of destination. This was later extended by adding the words "including transit by craft, raft and/or lighter to and from the vessel."</p> <p>More recently, insurance coverage has included risks to a shipment of goods from the time the goods leave the warehouse for commencement of transit and continue during ordinary course of transit until delivered to final warehouse (warehouse-to-warehouse coverage) at destination, or until the expiration of 15 days (30 if destination is outside the limits of the port), whichever shall first occur. In the case of delay in excess of the time limit specified, if it arises from circumstances beyond his control, the assured is "held covered" if he gives prompt notice and pays additional premium. See all risk; Marine Extension Clause 1943 &amp; 1952.</p>
<b>currency adjustment factor (CAF)</b>	(logistics) A freight surcharge or adjustment factor imposed by an international carrier to offset foreign currency fluctuations. In some cases an emergency currency adjustment factor (ECAAF) may be applied when a charge or rate has been originally published in a currency that is experiencing sustained or rapid decline. The CAF is charged as a percentage of the published rate. See emergency currency adjustment factor.
<b>currency area</b>	See currency zone.
<b>currency basket</b>	(banking/foreign exchange) A means of establishing value for a composite unit consisting of the currencies of designated nations. Each currency is represented in proportion to its value in relation to the total. The European Currency Unit (ecu) which is now obsolete, for example, was a weighted average of the currencies of the European Union member nations, used as a unit of value in transactions among businesses in the member countries. The ecu has been replaced by the European Union Euro.
<b>currency of the contract</b>	(commerce/law/banking) The required currency of payment as stated in a sales contract. The currency of a contract is generally a hard currency such as the U.S. dollar, Japanese yen, British pound or EU Euro. Choosing the currency of the contract is a point of negotiation and can be a significant economic factor, especially if the time from contract to delivery (or billing) is great, or if fluctuations in the currencies of the buyer and seller are anticipated over the course of the contract.
<b>currency snake</b>	See snake system.
<b>currency swap</b>	(banking/foreign exchange) System whereby an institution with funds in one currency converts them into another and enters into a forward exchange contract to recover the currency borrowed.
<b>Currency Transaction Report (CTR)</b>	(United States) A form (U.S. Treasury Form 4789) filed with the U.S. Internal Revenue Service (IRS) by all "financial institutions" detailing "transactions in currency" (deposit, withdrawal, exchange of currency, or other payment or transfer received or effected) of \$10,000 or more. U.S. law explicitly defines "persons involved in real estate closing and settlements" as financial institutions. The regulations also contain elaborate rules designed to compel reporting when the financial institution knows or

Term	Definition
	should know that payers of cash are structuring their payments to evade the \$10,000 reporting trigger by making a series of smaller payments.
<b>currency translation</b>	(accounting/foreign exchange) The recording in accounts of assets (or liabilities) in one currency when they are actually in another. No actual exchange of funds takes place. The World Bank, for example, translates all their assets and liabilities into U.S. dollar amounts, regardless of the actual currency in which they are denominated.
<b>currency zone</b>	(banking/foreign exchange) A geographic area where one currency is valid. A currency zone normally, but not always coincides with the national frontiers of a country. A supranational currency zone arises when different currencies are connected either through convertibility or fixed exchange rates. An example is the Sterling zone.
<b>current account</b>	(economics) That portion of a country's balance of payments that records current (as opposed to capital) transactions, including visible trade (exports and imports), invisible trade (income and expenditures for services), profits earned from foreign operations, interest and transfer payments.  (UK) British term for a bank checking account.  See balance of payments.
<b>current balance</b>	(economics) The value of all exports (goods plus services) less all imports of a country over a specific period of time, equal to the sum of the trade (visible) and invisible balances plus net receipts of interest, profits and dividends from abroad. See balance of payments.
<b>custody bill of lading</b>	(shipping) A bill of lading issued by U.S. warehouses as a receipt for goods stored. See bill of lading.
<b>Custom House Guide</b>	See United States Custom House Guide.
<b>customer automation</b>	(shipping) The use of carrier automation equipment on the customer's premises that aids in the processing of shipments, i.e., airbill preparations, invoicing, weighing, and tracing.
<b>customhouse</b>	The government building or the office where customs duties and other charges are paid, and the central place where most of the customs work and transactions are performed, and where all moneys, of every nature and wherever collected, are accounted for. (Note: "customshouse" with an "s" after the "m" is an incorrect spelling.)
<b>customhouse broker</b>	See customs broker.
<b>Customized Market Analysis</b>	(U.S.) A fee-based International Trade Administration service that provides firms with key marketing, pricing, and foreign representation information about their specific products. Overseas staff conduct on-site interviews to provide data in nine marketing areas about the product, such as sales potential in the market, comparable products, distribution channels, going price, competitive factors, and qualified purchasers. Information on pricing and on contacting a trade specialist near you can be found at: Web: <a href="http://www.export.gov/mrktresearch/eg_main_018208.asp">www.export.gov/mrktresearch/eg_main_018208.asp</a> .
<b>customs</b>	(a) A government authority designated to regulate flow of goods to/from a country and to collect duties levied by a country on imports and exports. The term also applies to the procedures involved in such collection. (b) The United States Customs Service. See United States Customs Service. (c) Taxes imposed by a government on the import or export of products or services. See tariff.
<b>Customs Automated Data Exchange (CADEX)</b>	(Canada Customs) A Canada Border Services Agency (CBSA) alternative to presenting paper copies of Form B3, the Canada Customs Coding Form. CBSA process 96% of all the B3 forms it receives using the CADEX system. This system also provides importers with access to reports and files to assist in the electronic preparation of Form B3. Importers who receive authorization to use CADEX can electronically transmit their Form B3 information directly to the CBSA computer system. For more information, go to: <a href="http://cbsa-asfc.gc.ca/eservices/overview-sommaire-eng.html">http://cbsa-asfc.gc.ca/eservices/overview-sommaire-eng.html</a> .
<b>customs bond</b>	See bond; surety.

<b>Term</b>	<b>Definition</b>
<b>customs bonded warehouse</b>	(customs) A federal warehouse where goods remain until duty has been collected from the importer. Goods under bond are also kept here. See surety; bond; in bond; bonded warehouse.
<b>customs broker</b>	(U.S. Customs) An individual or firm licensed by U.S. Customs & Border Protection to act for importers in handling the sequence of custom formalities and other details critical to the legal and speedy exporting and importing of goods.
<b>customs classification</b>	(customs) The particular category in a tariff nomenclature in which a product is classified for tariff purposes; or, the procedure for determining the appropriate tariff category in a country's nomenclature system used for the classification, coding and description of internationally traded goods. See Harmonized System; Harmonized Tariff Schedule of the United States.
<b>Customs Cooperation Council (CCC)</b>	An intergovernmental organization created in 1953 and headquartered in Brussels, through which customs officials of participating countries seek to simplify, standardize, and conciliate customs procedures. The Council has sponsored a standardized product classification, a set of definitions of commodities for customs purposes, a standardized definition of value and a number of recommendations designed to facilitate customs procedures. See Harmonized System.
<b>customs court</b>	(U.S. Customs) A U.S. Customs & Border Protection court based in New York, NY, consisting of three 3-party divisions to which importers may appeal or protest classification and valuation decisions and certain other actions taken by U.S. Customs & Border Protection.
<b>customs declaration</b>	(U.S. Customs) An oral or written statement attesting to the correctness of description, quantity, value, etc., of merchandise offered for importation into the United States. See entry.
<b>customs duty</b>	(customs) A tax levied and collected by custom officials in discharging the tariff regulations on imports. See tariff.
<b>customs harmonization</b>	(customs) International efforts to increase the uniformity of customs nomenclatures and procedures in cooperating countries. The Customs Cooperation Council has developed an up-to-date and internationally accepted "Harmonized Commodity Coding and Description System" for classifying goods for customs, statistical, and other purposes. See Customs Cooperation Council; Harmonized System; Harmonized Tariff Schedule of the United States.
<b>customs import value</b>	(U.S. Customs) U.S. Customs & Border Protection appraisal value of merchandise. Methodologically, the Customs value is similar to Free Alongside Ship (FAS) value since it is based on the value of the product in the foreign country of origin, and excludes charges incurred in bringing the merchandise to the United States (import duties, ocean freight, insurance, and so forth); but it differs in that U.S. Customs & Border Protection, not the importer or exporter, has the final authority to determine the value of the good. See valuation.
<b>Customs Information Exchange</b>	(United States) A clearinghouse of information for U.S. Customs and Border Protection officers. See United States Customs and Border Protection.
<b>Customs Internet Gateway (CIG)</b>	(Canada Customs) The CIG is a Canada Border Services Agency (CBSA) methodology for transmitting customs data to the CBSA. Clients can apply to transmit their CADEX B3 accounting data, ACROSS release data, send arrival messages and receive their RNS release messages over the Internet. The Customs Internet Gateway went into production on July 31, 2000. For more information, contact: The Electronic Commerce Unit, Canada Border Services Agency, 250 Tremblay Road, 6th Floor, West Tower, Ottawa, Ontario K1A 0L8; Tel: [1] (888) 957-7224; Fax: [1] (613) 952-9979; or visit the Web site at: <a href="http://www.cbsa-asfc.gc.ca/eservices/cig-pid/menu-eng.html">www.cbsa-asfc.gc.ca/eservices/cig-pid/menu-eng.html</a> .
<b>customs invoice</b>	(customs) An invoice made out on a special form prescribed by the customs authorities of the importing country. Used only in a few countries. See commercial invoice.
<b>Customs Rulings</b>	(U.S. Customs) Rulings by U.S. Customs and Border Protection (CBP) regarding such issues as classification, drawback claims and country of origin. The Customs Rulings Online Search System (CROSS) is a searchable database of CBP rulings that can be retrieved based on simple or complex search characteristics using keywords and Boolean operators. For more information go to:

Term	Definition
<b>Customs Self Assessment (CSA) Program</b>	<p>(Canada Customs) A Canada Border Services Agency (CSRA) certification program that gives approved importers the benefits of a streamlined accounting and payment process for all imported goods. This ends the need for importers to maintain separate and costly customs processes, allowing them to use their own business systems to fully self assess and meet their customs obligations.</p> <p>The CSA program also gives approved importers, approved carriers, and registered drivers the benefits of a streamlined clearance option for CSA eligible goods. The streamlined clearance process ends the need for transactional transmissions of data related to eligible goods. This allows for the clearance of goods based on the identification of the approved importer, approved carrier, and registered driver.</p> <p>To qualify for CSA-expedited shipping, the carrier, driver and Canadian importer all must be CSA-certified. The CSA program will allow the importer to submit payments once a month compared to numerous single transactions. All entities in the clearance process, i.e. importer, carrier, driver, must be accepted into the program and be approved in order to participate. For complete information, go to: <a href="http://www.cbsa-asfc.gc.ca/prog/csa-pad/menu-eng.html">www.cbsa-asfc.gc.ca/prog/csa-pad/menu-eng.html</a>.</p>
<b>customs tariff</b>	(customs) A schedule of charges assessed by government on imported or exported goods. See Harmonized System; Harmonized Tariff Schedule of the United States.
<b>customs territory</b>	<p>The geographic territory upon which a sovereign nation imposes its import and export regulations and duties. Certain territorial possessions and special economic zones (such as foreign trade zones) are often considered outside the customs territory of a nation.</p> <p>(U.S. Customs) The customs territory of the United States consists of the 50 states, the District of Columbia, and Puerto Rico. Foreign trade zones are not considered customs territory of the United States. See United States Customs Service; foreign trade zone.</p>
<b>customs union</b>	(customs) An agreement by two or more trading countries to dissolve trade restrictions such as tariffs and quotas among themselves, and to develop a common external policy or trade (e.g., trade agreement).
<b>customs value</b>	The value of an import shipment of goods according to the customs authority of the country of import. The customs value of a shipment is used as the key component in assessing import duties and taxes, and the reporting of statistical data on that shipment. The customs value is calculated differently from country to country. Some examples of customs value include: 1) the transaction value of the goods in the country of origin, 2) the FAS (Free Alongside Ship) value of the goods at the country of export, and 3) the CIF (Cost Insurance and Freight) value of the goods delivered to the country of destination. See customs import value.
<b>Customs-Trade Partnership Against Terrorism (C-TPAT)</b>	<p>(U.S. Customs) A voluntary United States Customs and Border Protection (CBP) business initiative designed to encourage importers, carriers, brokers, warehouse operators and manufacturers to ensure the integrity of the supply chain by strengthening their security practices and communicating their security guidelines to their business partners within the supply chain.</p> <p>Individual businesses must apply to CBP to participate. Accepted participants must sign an agreement that commits them to the following actions: 1) Conduct a comprehensive self-assessment of their supply chain security using C-TPAT security guidelines. 2) Submit a supply chain security profile questionnaire to CBP. 3) Develop and implement a program to enhance security throughout their supply chain in accordance with C-TPAT guidelines. 4) Communicate C-TPAT guidelines to other companies in their supply chain and work toward building the guidelines into relationships with these companies.</p> <p>C-TPAT offers businesses an opportunity to play an active role in the war against terrorism. By participating in this first worldwide supply chain security initiative, companies will ensure a more secure supply chain for their employees, suppliers and</p>

Term	Definition
	<p>customers. Beyond these essential security benefits, CBP will offer other potential benefits to C-TPAT members, including:</p> <p>Expedited release of cargo</p> <p>A reduced number of inspections (reduced border times)</p> <p>Eligibility for account-based processes (e.g., bimonthly/monthly payments)</p> <p>An emphasis on self-policing, not CBP verifications</p> <p>For ongoing information and updates on the C-TPAT program, go to the U.S. Customs and Border Protection Web site at <a href="http://www.cbp.gov">www.cbp.gov</a>.</p>
<b>cycle inventory</b>	(logistics) An inventory-taking methodology where the counting of items occurs continuously but at different intervals for different items. Thus, some items may be inventoried monthly, quarterly, biannually or yearly. In some cases a cycle inventory eliminates the need for an annual inventory. See inventory.
<b>cycle time</b>	<p>(general) The interval of time required to complete an activity or a succession of related events.</p> <p>(sales) The time it takes to make a sale, measured from the identification of the opportunity or prospect to the receipt of a purchase order.</p> <p>(logistics) (a) The time required to fill an order, measured from the receipt of the order to the delivery of the product to the customer. Once measured in weeks and months, cycle time is now measured in days and even hours. (b) The time required to replenish stock of a raw material, component part or finished product, expressed as the sum of the time required to secure a purchase order plus the time required to obtain delivery from the supplier.</p>
<b>D/A</b>	See documentary collection.
<b>D/P</b>	See documentary collection.
<b>dalasi</b>	The currency of Gambia. D1=100 butut.
<b>damages</b>	(law) (a) A loss or harm to a person or his or her property. (b) An award given to a person (usually as a result of a court action) as compensation for a loss.
<b>dangerous goods</b>	<p>(air transport) Articles or substances which are capable of posing a significant risk to health, safety, or property when transported by air and which are classified according to the most current editions of the International Civil Aviation Organization (ICAO) Technical Instructions for the Safe Transport of Dangerous Goods by Air and the IATA (International Air Transport Association) Dangerous Goods Regulations. Dangerous goods may be transported domestically and internationally by air.</p> <p>Also called hazardous materials or HazMat.</p> <p>For information about International Civil Aviation Organization (ICAO) dangerous goods, go to: <a href="http://www.icao.int/anb/fls/dangerousgoods">www.icao.int/anb/fls/dangerousgoods</a>.</p> <p>For information about the International Air Transport Association (IATA) dangerous goods, go to: <a href="http://www.iata.org/whatwedo/cargo/dangerous_goods/Pages/index.aspx">www.iata.org/whatwedo/cargo/dangerous_goods/Pages/index.aspx</a>.</p>

Term	Definition
	See hazardous materials, also, see the Hazardous Materials and Dangerous Goods illustrated appendices.
<b>dangerous when wet</b>	(shipping) These items include flammable solids that are reactive with water. (UN CLASS 4.) Examples: magnesium; aluminum phosphide; lithium hydride; calcium carbide. Hazards: may ignite in presence of moisture; contact with water produces flammable gas; may reignite after fire is extinguished; contact may cause burns to skin and eyes; skin contact may be poisonous; inhalation or vapors may be harmful. Precautions: prohibit flames or smoking in area.
<b>Data Interchange Standards Association (DISA)</b>	(e-commerce) An international organization dedicated to the development of cross-industry electronic data interchange standards that provide the foundation to enable individuals, companies and organizations to participate in global e-business. The organization provides technical and administrative support for e-commerce and conducts training and seminars on XML and EDI. DISA publishes standards such as ASC X12, UN/EDIFACT, ANSI and offers EC/EDI publications. Contact: Data Interchange Standards Association; 7600 Leesburg Pike, Suite 430; Falls Church, VA 22043 USA; Tel: [1] (703) 970-4480; Web: www.disa.org.
<b>Data Universal Numbering System (DUNS or D-U-N-S) Number</b>	(commerce) A company numbering and identification system developed and maintained by Dunn & Bradstreet Corporation (Web: www.dnb.com). The standard DUNS nine-digit universal identification number is particular to a specific listed company. The DUNS+4 number uniquely identifies an affiliate, subsidiary or division of a listed company.  DUNS number company identifiers are recognized, recommended or required by more than 50 global, industry and trade associations, including the United Nations, the U.S. Federal Government, the Australian Government and the European Commission. For more information, go to www.dnb.com/US/duns_update/index.html.
<b>date draft</b>	(banking) A draft which matures a specified number of days after the date it is issued, without regard to the date of acceptance.  See acceptance; bill of exchange.
<b>dating</b>	The practice of granting extended credit terms by the seller to induce buyers to receive goods in advance of required delivery dates.
<b>de minimis</b>	(law, taxation, customs) Latin expression meaning "about minimum things." Specifically, a shortened form of de minimis non curat lex, meaning "the law does not bother (concern) itself with trifles," or de minimis non curat praetor, meaning "magistrates do not bother (concern) themselves with trifles." In general, de minimis describes "minimal things" that do not interest the courts.  (law) In law, de minimis refers to a minimal or trifling injury to a person, property or rights that does not justify the time and trouble of a court's time (unworthy of the law's attention).  (insurance, risk assessment) In risk assessment, de minimis refers to a risk that is so small as to be considered insignificant.  (copyright law) In copyright law, de minimis refers to changes that are so small as to be insignificant. For example, attempting to claim copyright to a public domain work merely by correcting spelling errors or making very minor changes.  (customs) In customs law, de minimis rules figure prominently in classification of goods, rules of origin and payments of duties and taxes.  Example 1: Ingredients which are significant in terms of quantity or function must be considered in determining classification, whereas ingredients that are insignificant in quantity or function may be ignored.  Example 2: "Chapter 405: De Minimis" of the NAFTA Rules of Origin cover certain rules of origin. These rules (in short),

Term	Definition
	<p>establish that in determining the country of origin, a component value of seven percent or less of non-originating material(s) is de minimis , or may be ignored.</p> <p>Example 3: In certain circumstances, the customs authority of a country may not require payment of a duty or tax if the amount due is less than what they consider to be worthwhile collecting.</p>
<b>dead heading</b>	(trucking) Operating a motor vehicle or vessel without a load of cargo. The term most commonly applies to the trucking industry and refers to either the return trip from delivering a cargo, or driving empty to a location in order to pick up cargo. Dead heading is considered a waste of resources and avoided whenever possible.
<b>deadweight</b>	(shipping) The maximum carrying capacity of a ship, expressed in tons, of cargo, stores, provisions and bunker fuel. Deadweight is used interchangeably with deadweight tonnage and deadweight carrying capacity. A vessel's capacity for cargo is less than its total deadweight tonnage.
<b>deadweight cargo</b>	(shipping) Cargo of such weight and volume that a long ton (2,240 pounds) is stowed in an area of less than 70 cubic feet.
<b>deadweight ton (DWT)</b>	(shipping) A unit of mass (weight) equal to 2,240 pounds.
<b>dealer</b>	An individual or firm who acts as a principal in the sale of merchandise.
<b>debt-for-export swap; debt-for-products swap</b>	(banking/trade) Swap whereby a bank arranges to export a variety of domestic products and commodities to offset part of its outstanding claims in the country.
<b>debt-for-nature swap</b>	(banking/trade) Swap arranged by private conservation group to use the proceeds of debt conversions to finance conservation projects relating to parkland or tropical forests.
<b>debtor nation</b>	(economics) A nation that is owed less foreign currency obligations than it owes other nations. See creditor nation.
<b>deck cargo</b>	(shipping) Cargo shipped on the deck of a vessel rather than in holds below deck. Cargo shipped on deck is more likely to be adversely affected by heat, cold, rain, seawater and movement of the ship. Some shippers require that their cargo not be shipped on deck. On the other hand, certain dangerous cargo, such as explosives are required to be shipped on deck.
<b>declaration</b>	(insurance) A method of reporting shipments to an insurance company under an open insurance policy. This "short form" calls for the name of the vessel and sailing date, points of shipment and destination, nature of commodity, description of units comprising the shipment, the amount of insurance desired and the number of the open policy under which the declaration is made. The declaration forms are prepared by the assured and are forwarded daily, weekly, or as shipments are made. The forms are forwarded to the insurance agent or broker for transmission to the insurance company. When full information is not available at the time a declaration is made, a provisional report may be sent in. The "provisional" is closed when value is finally known. The premium is billed monthly in accordance with the schedule of rates provided by the policy. The declaration is generally not used in cases where evidence of insurance must be supplied to a customer, to banks or to other third parties in order to permit collection of claims abroad. This calls for a special marine policy, occasionally referred to as a certificate. Declarations, therefore, are usually used for import shipments, not export shipments. See open policy; special marine policy; bordereau.
<b>declared value for carriage</b>	(shipping/insurance) The value of goods declared to the carrier by the shipper for the purposes of determining charges, or of establishing the limit of the carrier's liability for loss, damage, or delay. See valuation charges.
<b>declared value for customs</b>	(U.S. Customs) The selling price of a shipment or the replacement cost if the shipment is not for resale. The amount must be equal to or greater than the declared value. See valuation.
<b>deductible</b>	(insurance) The amount of a loss or potential loss that is paid by the insured. A deductible may be stated as either a set amount of any currency or a percentage of the claim amount. Generally, the higher the stated insurance policy deductible, the lower the insurance premium.

Term	Definition
<b>deductible average</b>	(insurance) The deductible amount that is subtracted from each covered average loss whereby the assured always bears part of the loss. See average; particular average; general average; with average; free of particular average.
<b>deductive value</b>	<p>(U.S. Customs) In valuation of merchandise for customs purposes, deductive value is the resale price of imported merchandise in the United States with deductions for certain items. Generally, the deductive value is calculated by starting with a unit price and making certain additions to and deductions from that price.</p> <p>Unit Price: One of three prices constitutes the unit price in deductive value. The price used depends on when and in what condition the merchandise concerned is sold in the United States.</p> <p>(1) Time and Condition: The merchandise is sold in the condition as imported at or about the date of importation of the merchandise being appraised. Price: The price used is the unit price at which the greatest aggregate quantity of the merchandise concerned is sold at or about the date of importation.</p> <p>(2) Time and Condition: The merchandise concerned is sold in the condition as imported but not sold at or about the date of importation of the merchandise being appraised. Price: The price used is the unit price at which the greatest aggregate quantity of the merchandise concerned is sold after the date of importation of the merchandise being appraised, but before the close of the 90th day after the date of importation.</p> <p>(3) Time and Condition: The merchandise concerned is not sold in the condition as imported and not sold before the close of the 90th day after the date of importation of the merchandise being appraised. Price: The price used is the unit price at which the greatest aggregate quantity of the merchandise being appraised, after further processing, is sold before the 180th day after the date of the importation.</p> <p>The third price is also known as the "further processing price" or "superdeductive."</p> <p>Additions : Packing costs for the merchandise concerned are added to the price used for deductive value, provided these costs have not otherwise been included. These costs are added regardless of whether the importer or the buyer incurs the cost.</p> <p>Deductions : Certain items are not part of the deductive value and must be deducted from the unit price. These items include:</p> <ol style="list-style-type: none"> <li>(1) Commissions or profits and general expense,</li> <li>(2) Transportation and insurance costs,</li> <li>(3) Customs duties and federal taxes,</li> <li>(4) Value of further processing.</li> </ol> <p>If an assist is involved in a sale, that sale cannot be used in determining deductive value.</p> <p>See valuation; transaction value; identical merchandise; similar merchandise; computed value.</p>

<b>Term</b>	<b>Definition</b>
<b>deep-drop furniture/electronics trailer (van)</b>	(road transportation) A large box truck trailer designed to transport bulky, fragile, and relatively light cargo (weight to volume). Deep-drop vans are used especially in the transport of furniture, household goods, and electronics. Features include rear swing doors, one or two side swing doors (depending upon the length of the trailer), a lower rear deck to facilitate loading and create greater cargo capacity, air-ride suspensions to protect fragile cargo, lockable belly compartments, and ramps. The standard axle/wheel configuration is 2-axle/8-wheel.
<b>defective goods inventory (DGI)</b>	(commerce/logistics) Inventory of damaged or defective goods. Specifically, goods that were damaged during handling in the warehouse, damaged during delivery and returned or damaged during delivery where a credit was issued to the buyer and that have an outstanding freight claim. See inventory.
<b>defense memoranda of understanding (MOU)</b>	(U.S.) Defense cooperation agreements between the U.S. and allied nations. MOUs are signed by the U.S. Department of Defense (DOD) with allied nations and are related to research, development, or production of defense equipment or reciprocal procurement of defense items.
<b>Defense Threat Reduction Agency</b>	(U.S. government) DTRA is the Department of Defense (DOD) organization which reviews applications for the export of items that are subject to the dual-use license controls of the U.S. Commerce Department. DTRA is located in the Office of the Secretary of Defense, and administers DOD technology security policy so that the U.S. is not technologically surprised on the battlefield. Contact: Defense Threat Reduction Agency; 8725 John J. Kingman Road; MSC 6201; Fort Belvoir, Virginia 22060-6201 USA; Tel: (Tool-Free) [1] (800) 701-5096; (703) 767-5870; Web: www.dtra.mil.
<b>Defense Trade Controls (DTC)</b>	(U.S.) DTC (formerly the Office of Munitions Control, OMC) at the U.S. Department of State administers licenses for the export of items that are exclusively, or primarily, of munitions significance. These items are listed in the International Traffic in Arms Regulations (ITAR) and the U.S. Munitions List. In circumstances in which an item may be considered either dual-use or subject to the ITAR, the State Department has the option to assert jurisdiction. In some cases, decisions about jurisdiction are made after an item has been subject to a dual-use license application sent to the Commerce Department. Commerce is never involved in State's process, unless there are matters involving dual-use or issues involving jurisdiction. Contact: PM/DTC; SA-1, 12th Floor, Directorate of Defense Trade Controls; Bureau of Political and Military Affairs; U.S. Department of State; Washington, DC 20522-0112 USA; Tel: [1] (202) 663-2980; Web: www.pmdtdc.state.gov.
<b>Defense Trade Working Group</b>	(U.S.) A committee of officials from the U.S. Departments of Commerce, Defense, State and the United States Trade Representative (USTR) was established in 1990 to coordinate agency policies and resources in areas concerned with defense expenditures. The group works with industry to identify ways to target industry needs and increase the success of industry export efforts by minimizing government impediments, streamlining procedures, and improving the availability of market information. The DTWG includes three subgroups: (1) The Defense Export Market Opportunity Subgroup, chaired by the U.S. Department of Commerce, which helps implement Administration defense export policy and enhances U.S. government support for U.S. defense exporters; (2) The European Defense Cooperation Subgroup, chaired by the U.S. Department of State, which coordinates interagency input to U.S.-NATO International Staff for the NATO Council on National Armaments Directors (CNAD) study on defense trade; and (3) The Technology Transfer/Third Country Reexport Subgroup, chaired by the U.S. Department of Defense, which works with industry to define a more proactive technology transfer regime that could be implemented within the limits of U.S. national security and industrial competitiveness interests.
<b>deferred air freight</b>	(shipping) Air freight of a less time sensitive nature, with delivery provided over a period of days.
<b>deferred payment letter of credit</b>	(banking) A letter of credit which enables the buyer to take possession of the title documents and the goods by agreeing to pay the issuing bank at a fixed time in the future. See letter of credit.
<b>del credere risk</b>	(law) Risk that a counterparty is either unable or unwilling to fulfill his payment obligations.
<b>delay clause</b>	(insurance) An insurance policy clause which excludes claims for loss of market and for loss, damage or deterioration arising from delay. This exclusion appears in almost every marine cargo insurance policy.

Term	Definition
	Insurance underwriters are exceedingly reluctant to assume any liability for loss of market, which is generally considered a "trade loss" and uninsurable. A market loss, furthermore, is an indirect or consequential damage. It is not a "physical loss or damage." See special marine policy.
<b>deliverable</b>	A tangible outcome that is produced by a vendor for a client. "Deliverables" can be documents, plans, computer systems, buildings, or other physical products, or achievement of service standards.
<b>Delivered At Frontier (...named place) (DAF)</b>	<p>(obsolete-Incoterms 2000, this term has been removed from Incoterms 2010) An international trade term of sale in which, for the quoted price, the seller/exporter/manufacturer clears the goods for export and is responsible for making them available to the buyer at the named point and place at the frontier, not unloaded, and not cleared for import.</p> <p>In the DAF term, naming the precise point, place, and time of availability at the frontier is very important as the buyer must make arrangements to unload and secure the goods in a timely manner. Frontier can mean any frontier including the frontier of export.</p> <p>The DAF term is valid for any mode of shipment, so long as the final shipment to the named place at the frontier is by land.</p> <p>See Incoterms© 2010, World Trade Press Illustrated Guide to Incoterms© 2010 Appendix in this book.</p>
<b>Delivered At Place (. . . named place of destination) (DAP)</b>	<p>(Incoterms© 2010, enter into force January 1, 2011)</p> <p>One of the 11 Incoterms© 2010.</p> <p>In Delivered At Place, the seller/exporter/manufacturer clears the goods for export and is responsible for their delivery to the "named place of destination."</p> <p>In DAP, the seller makes the goods available to the buyer on the arriving means of transport at the named place of destination, not unloaded.</p> <p>When using the DAP term, it is advisable to clearly specify in the contract of sale and in contracts of carriage, not only the named place of destination, but also the precise point at or within the named place of destination.</p> <p>In DAP, the named place of destination is domestic to the buyer and is often the buyer's place of business.</p> <p>In DAP, the seller is not responsible for import customs formalities, duties, fees, or taxes.</p> <p>The DAP term may be used for any mode of transport including multimodal.</p> <p>All forms of payment are used in DAP transactions.</p> <p>The DAP term is ideal for multimodal transport.</p> <p>All forms of payment are used in DAP transactions.</p> <p>See Incoterms© 2010, World Trade Press Illustrated Guide to Incoterms© 2010 Appendix for details.</p>

Term	Definition
<b>Delivered At Terminal (. . . named terminal at port or place of destination) (DAT)</b>	<p>(Incoterms© 2010, enter into force January 1, 2011)</p> <p>One of the 11 Incoterms© 2010.</p> <p>In Delivered At Terminal, the seller/exporter/manufacturer clears the goods for export and is responsible for their delivery to the "named terminal at port or place of destination."</p> <p>In DAT, the seller makes the goods available to the buyer unloaded from the arriving means of transport.</p> <p>The terminal can be of any sort: a sea, road, air, or rail terminal; a warehouse, a quay, or container yard; and covered or uncovered.</p> <p>When using the DAT term, it is advisable to clearly specify in the contract of sale and in contracts of carriage, not only the terminal by name, but also the precise point at or within the terminal at the named port or place of destination.</p> <p>In DAT, the named terminal at port or place of destination is domestic to the buyer. The DAT term may be used for any mode of transport including multimodal. All forms of payment are used in DAT transactions. The DAT term is ideal for multimodal transport. DAT is the only term under which the seller is responsible for unloading.</p> <p>See Incoterms© 2010 , World Trade Press Illustrated Guide to Incoterms© 2010 Appendix for details.</p>
<b>Delivered Duty Paid (. . . named place of destination) (DDP)</b>	<p>(Incoterms© 2010, enter into force January 1, 2011) One of the 11 Incoterms© 2010.</p> <p>In Delivered Duty Paid, the seller/exporter/manufacturer clears the goods for export and is responsible for their delivery to the "named place of destination."</p> <p>In DDP, the seller also clears the goods for import in the country of destination and pays for all import customs formalities, duties, fees, VAT (value added tax), and other taxes.</p> <p>In DPP, the seller makes the goods available to the buyer on the arriving means of transport at the named place of destination, not unloaded.</p> <p>When using the DDP term, it is advisable to clearly specify in the contract of sale and in contracts of carriage, not only the named place of destination, but also the precise point at or within the named place of destination.</p> <p>In DDP, the named place of destination is domestic to the buyer and is often the buyer's place of business.</p> <p>The DDP term may be used for any mode of transport including multimodal.</p> <p>The DDP term is ideal for multimodal transport.</p> <p>All forms of payment are used in DDP transactions.</p> <p>The DDP term places the greatest responsibility on the seller and the least responsibility on the buyer.</p>

Term	Definition
	See Incoterms© 2010, World Trade Press Illustrated Guide to Incoterms© 2010 Appendix for details.
<b>Delivered Duty Paid (...named place of destination) (DDP)</b>	<p>(obsolete-Incoterms 2000) An international trade term of sale in which, for the quoted price, the seller/exporter/manufacturer clears the goods for export and is responsible for making them available to the buyer at the named place of destination, cleared for import, but not unloaded from the transport vehicle.</p> <p>The seller, therefore, assumes all responsibilities for delivering the goods to the named place of destination, including all responsibility for import clearance, duties, and other costs payable upon import. The DDP term can be used for any mode of transport.</p> <p>The DDP term is used when the named place of destination (point of delivery) is other than the seaport or airport.</p> <p>See Delivered Duty Paid, Incoterms© 2010 below.</p>
<b>Delivered Duty Unpaid (...named place of destination) (DDU)</b>	<p>(obsolete-Incoterms 2000) An international trade term of sale in which, for the quoted price, the seller/exporter/manufacturer clears the goods for export and is responsible for making them available to the buyer at the named place of destination, not cleared for import.</p> <p>The seller, therefore, assumes all responsibilities for delivering the goods to the named place of destination, but the buyer assumes all responsibility for import clearance, duties, administrative costs, and any other costs upon import as well as transport to the final destination.</p> <p>The DDU term can be used for any mode of transport. However, if the seller and buyer desire that delivery should take place on board a sea vessel or on a quay (wharf), the DES or DEQ terms are recommended.</p> <p>The DDU term is used when the named place of destination (point of delivery) is other than the seaport or airport.</p> <p>See Incoterms© 2010, World Trade Press Illustrated Guide to Incoterms© 2010 Appendix for details.</p>
<b>Delivered Ex Quay (...named port of destination) (DEQ)</b>	<p>(obsolete-Incoterms 2000) An international trade term of sale in which, for the quoted price, the seller/exporter/manufacturer clears the goods for export and is responsible for making them available to the buyer on the quay (wharf) at the named port of destination, not cleared for import.</p> <p>The buyer, therefore, assumes all responsibilities for import clearance, duties, and other costs upon import as well as transport to the final destination. (This was new for Incoterms 2000.)</p> <p>The DEQ term is used only for shipments of goods arriving at the port of destination by ocean or by inland waterway.</p> <p>See World Trade Press Illustrated Guide to Incoterms© 2010 Appendix for details.</p>
<b>Delivered Ex Ship (...named port of destination) (DES)</b>	<p>(obsolete-Incoterms 2000) An international trade term of sale in which, for the quoted price, the seller/exporter/manufacturer clears the goods for export and is responsible for making them available to the buyer on board the ship at the named port of destination, not cleared for import.</p> <p>The seller is thus responsible for all costs of getting the goods to the named port of destination prior to unloading.</p>

Term	Definition
	<p>The DES term is used only for shipments of goods by ocean or inland waterway or by multimodal transport where the final delivery is made on a vessel at the named port of destination.</p> <p>See Incoterms© 2010, World Trade Press Illustrated Guide to Incoterms© 2010 Appendix for details.</p>
<b>delivery</b>	<p>(shipping/law) The act of transferring physical possession, such as the transfer of property from consignor to carrier, one carrier to another, or carrier to consignee.</p> <p>(Incoterms 2010) The physical point where "the risk of loss or damage passes from the seller to the buyer." This is often the "named port or place" but not necessarily the buyer's place of business.</p>
<b>delivery carrier</b>	<p>(shipping) The carrier (transport company) whose responsibility is to place a shipment at the disposal of the consignee at the address stated on the bill of lading. See carrier; bill of lading.</p>
<b>delivery instructions</b>	<p>(shipping) Specific delivery instructions for the freight forwarder or carrier (transport company) stating exactly where the goods are to be delivered, the deadline, and the name, address, and telephone number of the person to contact if delivery problems are encountered. See delivery order.</p>
<b>delivery order</b>	<p>(shipping) (a) A document from the consignee, shipper, or owner of freight ordering a terminal operator, carrier, or warehouseman to deliver freight to another party. (b) An order from a steamship company to the terminal superintendent for the release of goods to a consignee following payment of freight charges. (c) Order to deliver specified packages out of a combined consignment covered by one single bill of lading.</p>
<b>delta</b>	<p>(general/statistics) An increment of a variable.</p> <p>(finance/foreign exchange) Measure of the relationship between an option price and the underlying futures contract or stock price.</p> <p>The delta ratio indicates by how many units the premium on an option changes for a one unit change in the value of the underlying instrument. An at-the-money option has a delta of about 0.5. The deeper the option is in-the-money, the closer the delta gets to 1 and the deeper the option is out-of-the-money, the more the delta approaches 0.</p>
<b>delta hedging</b>	<p>(banking/foreign exchange) A method used by options writers to hedge risk exposure of written options by purchase or sale of the underlying instrument in proportion to the delta. Example: the writer of a call option with a delta of 0.5 would have to buy half the amount of the instrument underlying the option (e.g., US\$), which he might eventually be forced to deliver upon expiry of the option.</p>
<b>Delta Nu Alpha (DNA)</b>	<p>(logistics) An international nonprofit organization of logistics professionals that encourages education in the field of transportation and logistics. The organization provides mentoring and financial assistance for students, continuing education for professionals in the field, and vigilance in communicating changes in regulations that affect the industry. Contact at: Tel: [1] (414) 764-3063; Web: <a href="http://www.deltanualpha.org">www.deltanualpha.org</a>.</p>
<b>demand</b>	<p>(banking/law) (a) A request for the payment of a debt or other amount due. (b) A demand clause is a term in a note by which the note holder can compel full payment if the maker of the note fails to meet an installment.</p>
<b>demand chain</b>	<p>(logistics) The concept that consumer demand can "pull" products through the logistics chain. Demand chain logistics is a counterpoint to supply chain logistics where products are "pushed" through the logistics system to the ultimate consumer by the actions of the producer and marketing and logistics professionals.</p> <p>In demand chain logistics, however, it is the producers who are responding to the demands of customers in the marketplace. In</p>

<b>Term</b>	<b>Definition</b>
	demand chain logistics producers and logistics professionals must have a thorough understanding of their customers, an unimpeded flow of information and the ability to respond quickly to changing demand. See supply chain.
<b>demise</b>	(law) A lease of property. A demise charter is a bareboat charter. See bareboat charter.
<b>demurrage</b>	(shipping) (a) The detention of a freight car or ship by the shipper beyond time permitted (grace period) for loading or unloading, (b) The extra charges a shipper pays for detaining a freight car or ship beyond time permitted for loading or unloading. Used interchangeably with detention. Detention applies to equipment. Demurrage applies to cargo. See detention.
<b>denar</b>	The currency of Macedonia. ??? 1=100 deni.
<b>Denied Parties List</b>	(U.S. export) The former title of the Denied Persons List. See Denied Persons List.
<b>Denied Persons List (DPL)</b>	(U.S. trade law) (Formerly the Denied Parties List) A set of lists maintained by the U.S. Bureau of Industry and Security (formerly the U.S. Bureau of Export Administration) (Web: <a href="http://www.bis.doc.gov/DPL/Default.shtm">www.bis.doc.gov/DPL/Default.shtm</a> ) of individuals and firms denied export privileges, specifically for strategic and controlled materials, components and products.
<b>density</b>	(shipping) (a) The weight of an article or container per cubic foot. (b) The ratio of mass to bulk or volume.
<b>Department of Agriculture (DOA)</b>	See United States Department of Agriculture.
<b>Department of Commerce (DOC)</b>	See United States Department of Commerce.
<b>Department of Defense (DOD)</b>	See United States Department of Defense.
<b>Department of Energy (DOE)</b>	See United States Department of Energy.
<b>Department of State</b>	See United States Department of State.
<b>Department of the Interior (DOI)</b>	See United States Department of the Interior.
<b>Department of the Treasury</b>	See United States Department of the Treasury.
<b>Department of Transportation (DOT)</b>	See United States Department of Transportation.
<b>deposit dealings</b>	(banking) Money market operations.
<b>deposit money</b>	(banking) Also known as bank or giro money. Bank, giro and postal giro account credit balances which can be converted at any time into notes and coinage, but which are normally used for cash-less payment transactions.
<b>deposit of estimated duties</b>	(U.S. Customs) This refers to antidumping duties which must be deposited upon entry of merchandise into the United States which is the subject of an antidumping duty order for each manufacturer, producer or exporter equal to the amount by which the foreign market value exceeds the United States price of the merchandise. See antidumping duties; dumping.
<b>depreciation</b>	(economics/accounting) (a) The charges against earnings to write-off the purchase price of an asset over its useful life. (b) The decline in the value of a property or asset.  (insurance) An allowance for a decrease in value of property through deterioration or damage.  (foreign exchange) The decline in value of one currency in relation to another currency.

<b>Term</b>	<b>Definition</b>
<b>deputy chief of mission (DCM)</b>	(diplomacy) Position second-in-command to ambassador in an embassy. The DCM is responsible for managing the daily operations of all departments in an embassy. Also serves as acting ambassador during the absence of the ambassador.
<b>destination</b>	(shipping) The place to which a shipment is consigned.
<b>detention</b>	(shipping) (a) Holding a carrier's driver and/or truck trailer beyond a certain stated period of "free time," often resulting in the assessment of detention charges. (b) The delay in clearing goods through customs resulting in storage and other charges. (c) The prevention, by government authority, of a vessel and/or cargo leaving port. See demurrage.
<b>detention charges</b>	(shipping) Charges assessed by a carrier against the consignor or consignee as compensation for holding a carrier's driver and/or trailer beyond a certain stated period of "free time." Detention is an accessorial service and charge. See demurrage.
<b>detention insurance</b>	(insurance) Insurance coverage to pay for the costs resulting in the storage or maintenance of goods delayed in the clearance of customs at a foreign port.
<b>devaluation</b>	<p>(economics) The lowering of the value of a national currency in terms of the currency of another nation. Devaluation tends to reduce domestic demand for imports in a country by raising their prices in terms of the devalued currency and to raise foreign demand for the country's exports by reducing their prices in terms of foreign currencies. Devaluation can therefore help to correct a balance of payments deficit and sometimes provide a short-term basis for economic adjustment of a national economy.</p> <p>In a fixed exchange rate situation, devaluation occurs as the result of an administrative action taken by a government to reduce the value of its domestic currency in terms of gold or foreign monies.</p> <p>In a free exchange rate situation, devaluation occurs as a result of the action of the foreign exchange market where the value of the domestic currency drops by market forces against a specific unit of foreign currency.</p>
<b>devanning</b>	(shipping) The unloading of cargo from a container. Also called stripping.
<b>developed countries</b>	(economics) A term used to distinguish the more industrialized nations, including all Organization for Economic Cooperation and Development (OECD) member countries as well as the Soviet Union and most of the socialist countries of Eastern Europe, from "developing," or less developed countries. The developed countries are sometimes collectively designated as the "North," because most of them are in the Northern Hemisphere. See developing countries.
<b>developing countries</b>	(economics) A broad range of countries that generally lack a high degree of industrialization, infrastructure and other capital investment, sophisticated technology, widespread literacy, and advanced living standards among their populations as a whole. The developing countries are sometimes collectively designated as the "South," because a large number of them are in the Southern Hemisphere. All of the countries of Africa (except South Africa), Asia and Oceania (except Australia, Japan and New Zealand), Latin America, and the Middle East are generally considered "developing countries" as are a few European countries (Cyprus, Malta, Turkey and countries of the former Yugoslavia, for example). Some experts differentiate four subcategories of developing countries as having different economic needs and interests: (1) A few relatively wealthy Organization of Petroleum Exporting Countries (OPEC) countries-- sometimes referred to as oil exporting developing countries--share a particular interest in a financially sound international economy and open capital markets; (2) Newly Industrializing Countries (NICs) have a growing stake in an open international trading system; (3) A number of middle income countries--principally commodity exporters--have shown a particular interest in commodity stabilization schemes; and (4) More than 30 very poor countries ("least developed countries") are predominantly agricultural, have sharply limited development prospects during the near future, and tend to be heavily dependent on official development assistance.
<b>deviation</b>	(shipping/insurance) A departure from the prescribed or customary way of pursuing an intended voyage that is of enough significance to alter the insurance risk. Examples of deviation include: 1) Altering the intended route, 2) Stowage of cargo on deck when an "Under Deck" Bill of Lading has been issued, and 3) Taking goods out of transit for storage. Some insurance policies do not cover risk of loss or damage due to deviations. See deviation clause.

Term	Definition
<b>deviation clause</b>	<p>(insurance) A clause in many open cargo insurance policies that protects the assured in case of deviation or change of voyage, or in case of error in the description of the interest, vessel or voyage.</p> <p>(US) In the case of intentional deviation, the carrier loses the benefit of the Exemptions from Liability clause of the U.S. Carriage of Goods by Sea Act, unless such deviation is for the purpose of attempting to save life or property at sea.</p>
<b>difference in conditions endorsement</b>	<p>(insurance) An open cargo marine insurance policy endorsement designed to "fill in the gaps" between coverage normally provided by the seller and the buyer in an international transaction. For example, an open cargo policy provides automatic coverage on those shipments which the assured is obligated to insure, and specifically excludes coverage on those shipments which the assured is not obligated to insure, such as those sold or purchased on CIF terms. However, the party responsible for insuring such a shipment might purchase insurance with more limited coverage than the assured would enjoy under his or her own open policy. The difference in conditions endorsement bridges the gap and gives the assured full coverage. See contingency insurance.</p>
<b>differential</b>	<p>(shipping) An amount added to or deducted from a shipping base rate between two established points to make a rate to or from some other points or via another route.</p>
<b>dimensional weight (also dim weight)</b>	<p>(shipping) A billing technique employed by shippers to take into account the volume rather than the weight of high volume, low weight shipments. Traditionally, shipments were billed on a weight basis: x cost per unit of weight measure. This works well for shipping companies in cases where the commodity shipped has a high density; for example, industrial machinery. However, other commodities, such as hats, consumer electronics, luggage, and clothing, have a relatively low density. This can be a problem, for example, for air cargo companies where volume is an important factor. Hence, the dimensional weight rule was developed by shippers as a practice applicable to low density shipments under which the transportation charges are based on a cubic dimensional weight rather than upon actual weight. The shipping company will calculate freight based on the higher of the two rates.</p> <p>Dimensional weight has different definitions based upon whether the shipment is domestic or international, the carrier, and the commodity shipped.</p> <p>Standard definitions:</p> <p>Dimensional Weight, Domestic US Shipments.</p> $L \times W \times H / 194 = DW$ <p>Dimensional Weight, International Shipments: <math>L \times W \times H / 166 = DW</math></p> <p>Examples: Dimensional weight equals one pound for each 194 cubic inches in the case of most domestic air freight, one pound for each 166 cubic inches of most international shipments, and one pound for each 266 cubic inches of cut flowers or nursery stock shipments. The dimensional weight system is used by almost all air freight forwarders, trucking companies and airlines worldwide. In 2007 all the major courier companies adopted dimensional weight calculations for ground services.</p>
<b>dinar</b>	<p>The currency of:</p> <p>Algeria, DA1=100 centimes;</p> <p>Bahrain, BD1=100 fils;</p>

Term	Definition
	<p>Iraq, ID1=(no subcurrency);</p> <p>Jordan, JD1=1,000 fils;</p> <p>Kuwait, KD1=1,000 fils;</p> <p>Libya, LD1=1,000 dirhams;</p> <p>Serbia. ????. 1 = 100 paras;</p> <p>Tunisia, TD1=1,000 millimes.</p>
<b>direct foreign investment (DFI)</b>	<p>(economics) Investment that is made to acquire a lasting interest in an enterprise operating in an economy other than that of the investor.</p> <p>(U.S.) In the United States, direct investment is defined for statistical purposes as the ownership or control, directly or indirectly, by one person of 10 percent or more of the voting securities of an incorporated business enterprise, or an equivalent interest in an unincorporated business enterprise. Direct investment transactions are not limited to transactions in voting securities. The percentage ownership of voting securities is used to determine if direct investment exists, but once it is determined that it does, all parent-affiliate transactions, including those not involving voting securities, are recorded under direct investment. See affiliate; affiliated foreign group; foreign direct investment in the United States.</p>
<b>direct store delivery (DSD)</b>	<p>(logistics) A logistics strategy where products sold in large volume on a regular basis are shipped directly from the producer or manufacturer to a store, eliminating the store's need to warehouse and handle the product in its own facilities. When store stocks fall below a prescribed level, orders are placed electronically either through an automated inventory system or manually and then are delivered directly to the store location. In DSD the producer or manufacturer handles both warehousing and delivery on a just-in-time delivery basis. Large volume products like beer or bread that are bulky and/or heavy are best candidates for DSD.</p>
<b>dirham</b>	<p>The currency of:</p> <p>Morocco, DH1=100 centimes;</p> <p>United Arab Emirates, Dh1=100 fils;</p> <p>Western Sahara, Morocco dirham DH1=100 centimes.</p>
<b>dirty floating</b>	See floating.
<b>discharge</b>	(shipping) The unloading of passengers or cargo from a vessel, vehicle or aircraft.
<b>disclosure meeting</b>	(U.S.) An informal meeting at which the International Trade Administration (ITA) discloses to parties the proceeding methodology used in determining the results of an antidumping investigation or administrative review. See dumping.
<b>discount rate</b>	(banking) (a) Annualized rate of discount applied to debt securities issued below par (e.g., U.S. Treasury bills). (b) Rate at which a central bank (Federal Reserve System in the U.S.) (re)discounts certain bills for financial institutions.

<b>Term</b>	<b>Definition</b>
<b>discount/markdown</b>	(foreign exchange) In foreign exchange, refers to a situation where currency can be bought more cheaply at a future date than for immediate delivery. For example, if US\$1 buys £1.55 for delivery now, while it buys £1.6 for delivery twelve months hence, then the pound sterling is said to be at a discount against the U.S. dollar.
<b>discounting</b>	(general) The sale at less than original price value of a commodity or monetary instrument, often for immediate payment.  (banking/letters of credit) The beneficiary under a usance/term letter of credit has the possibility of discounting his claim for immediate payment. The bank credits the beneficiary with the value of the documents, less the discount, but on an unconfirmed credit, reserves the right of recourse. ( See recourse.) In the case of a confirmed letter of credit the discount would be without recourse.
<b>discrepancies</b>	(banking/letters of credit) The noncompliance of documents with the terms and conditions of a letter of credit. Information (or missing information or missing documents/papers, etc.) in the documents submitted under a letter of credit, which: 1) is not consistent with its terms and conditions; 2) is inconsistent with other documents submitted; 3) does not meet the requirements of the Uniform Customs and Practice for Documentary Credits (UCPDC).  If the documents show discrepancies of any kind, the issuing bank is no longer obliged to pay and, in the case of a confirmed letter of credit, neither is the confirming bank (strict documentary compliance). See letter of credit; Uniform Customs and Practice.
<b>discrimination</b>	(shipping) The granting of preferential rates or other privileges to some shippers or receivers which are not accorded to others under practically the same conditions. In the U.S., laws regulating common carriers prohibit discrimination.
<b>dishonor</b>	(banking) The refusal of the maker of a promissory note to pay upon presentation of the note.
<b>dismissal of petition</b>	(U.S.) A determination made by the U.S. Office of Administration that an antidumping petition does not properly allege the basis on which antidumping duties may be imposed, does not contain information deemed reasonably available to the petitioner supporting the allegations, or is not filed by an appropriate interested party. See dumping.
<b>dispatch</b>	(shipping) (a) An amount paid by a vessel's operator to a charter if loading or unloading is completed in less time than stipulated in the charter agreement. (b) The release of a container to an interline carrier.
<b>displacement of vessel</b>	(shipping) The weight of the quantity of water displaced by a vessel without stores, bunker fuel or cargo. Displacement "loaded" is the weight of the vessel, plus cargo and stores.
<b>disposable income</b>	(economics) Personal income minus income taxes and other taxes paid by an individual, the balance being available for consumption or savings.
<b>dispute settlement</b>	(general) Resolution of a conflict, usually through a compromise between opposing claims, sometimes facilitated through the efforts of an intermediary such as an arbiter.
<b>distrain</b>	(law) The detention or seizure of the property of an individual or legal entity to secure that party's performance of a particular act. A court may order that property be distrained, for example, to ensure that an individual or legal entity will appear or be represented before the court at a hearing.
<b>distribution license</b>	(U.S.) A license that allows the holder to make multiple exports of authorized commodities to foreign consignees who are approved in advance by the U.S. Bureau of Industry and Security (formerly the U.S. Bureau of Export Administration). The procedure also authorizes approved foreign consignees to reexport among themselves and to certain approved countries. See Bureau of Industry and Security.
<b>distribution requirements planning (DRP)</b>	(logistics) A logistics strategy designed to manage a distribution network and link it with manufacturing. DRP involves planning for future stock requirements at various distribution points and determining the process by which these requirements will be met. DRP systems are based on manufacturing resources planning (MRP) technology and can span a whole logistics chain from remote warehouses to the factory floor. See MRP (manufacturing resources planning).

<b>Term</b>	<b>Definition</b>
<b>distribution service</b>	(shipping) A service under which an airline accepts one shipment from one shipper and, after transporting it as a single shipment, separates it into a number of parts at destination and distributes them to many receivers. See assembly service.
<b>distributor</b>	An agent who sells directly for a supplier and maintains an inventory of the supplier's products.
<b>District Export Councils</b>	(U.S.) A voluntary auxiliary of the United States and Foreign Commercial Service (US&FCS) district offices to support export expansion activities. There are 51 DECs with 1,800 members which help with workshops and also provide counseling to less experienced exporters. See United States and Foreign Commercial Service.
<b>diversion</b>	(shipping) (a) Any change in the billing of a shipment after it has been received by the carrier at point of origin and prior to delivery at destination. (b) The diverting of a shipment of goods from the original port of destination to another port due to circumstances such as a storm at sea, breakdown of the vessel or other factors generally out of the control of the shipping line. See reconsignment.
<b>diversionary dumping</b>	(customs) The sale of foreign products to a third country market at less than fair value where the product is further processed and shipped to another country. See dumping.
<b>dobra</b>	The currency of Sao Tomé and Príncipe. Db1=100 centimos.
<b>dock</b>	(shipping) (a) Loading or unloading platform at an industrial location or carrier terminal. (b) The space or waterway between two piers or wharves for receiving a ship.
<b>dock examination</b>	(U.S. Customs) A U.S. Customs examination during which a container is opened for a thorough inspection, as opposed to a tailgate examination, which requires only a visual inspection at the exit gate. It may be necessary to devan the container in order for customs to make its inspection.
<b>dock receipt</b>	(shipping) A receipt issued by a warehouse supervisor or port officer certifying that goods have been received by the shipping company. The dock receipt is used to transfer accountability when an export item is moved by the domestic carrier to the port of embarkation and left with the international carrier for movement to its final destination.
<b>document</b>	<p>(law/banking/shipping) (a) An original or official paper that serves as proof, evidence or support of something. (b) Any recorded information, regardless of its physical form or characteristics, including, without limitation, written or printed matter, tapes, charts, maps, paintings, drawings, engravings, sketches, working notes and papers; reproductions of such things by any means or process; and sound, voice, magnetic, or electronic recordings in any form.</p> <p>(computers) Any computer file created within an application program. A document can contain text, audio, and/or video. Examples include a letter written in a word processing application, a digital photograph, a digitized audio recording or an e-mail message.</p> <p>The most common documents in international trade are the commercial invoice and bill of lading. Each type of document in international trade follows a particular format and requires specific types of information.</p> <p>In international trade, and especially in documentary letters of credit and documentary collections, the term document has legally come to include an electronic document or electronic record of a document.</p>
<b>documentary collection</b>	<p>(banking) A method of effecting payment for goods whereby the seller/exporter ships goods to the buyer, but instructs his bank to collect a certain sum from the buyer/importer in exchange for the transfer of title, shipping and other documentation enabling the buyer/importer to take possession of the goods. The two types of documentary collection are:</p> <p>(a) Documents against Payment (D/P) where the bank releases the documents to the buyer/importer only against a cash payment in a prescribed currency; and</p>

Term	Definition
	<p>(b) Documents against Acceptance (D/A) where the bank releases the documents to the buyer/importer against acceptance of a bill of exchange (draft) guaranteeing payment at a later date.</p> <p>In documentary collections, banks act in a fiduciary capacity and make every effort to ensure that payment is received, but are liable only for the correct execution of the collection instructions, and do not make any commitment to pay the seller/exporter themselves.</p> <p>Documentary collections are subject to the Uniform Rules of Collections, Brochure No. 322, revised 1978, of the International Chamber of Commerce (ICC) in Paris.</p> <p>See Uniform Rules for Collections; International Chamber of Commerce.</p>
<b>documentary credit</b> <b>documentary letter of credit</b>	<p>(banking) The formal terminology for letter of credit. See letter of credit.</p>
<b>documentary instructions</b>	<p>(banking) The formal list and description of documents (primarily shipping documents) a buyer requires of the seller, especially in a documentary letter of credit. See documentation; letter of credit.</p>
<b>documentation</b>	<p>(general) All or any of the financial and commercial documents relating to a transaction.</p> <p>Documents in an international trade transaction may include commercial invoice, consular invoice, customs invoice, certificate of origin, bill of lading, inspection certificates, bills of exchange and others.</p> <p>(banking) The documents required for a letter of credit or documentary collection (documents against payment or documents against acceptance) transaction. See letter of credit; documentary collection.</p> <p>(customs) The documents required by the customs authority of a country to effect entry of merchandise into the country. See entry.</p> <p>(shipping) The function of receiving, matching, reviewing, and preparing all the paperwork necessary to effect the shipment of cargo. This includes bills of lading, dock receipts, export declarations, manifests, etc.</p>
<b>documents against acceptance (D/A)</b>	<p>See documentary collection.</p>
<b>documents against payment (D/P)</b>	<p>See documentary collection.</p>
<b>dog watch</b>	<p>See watch.</p>
<b>Doha Round</b>	<p>(WTO) The ninth round of multilateral trade negotiations concerning the World Trade Organization (WTO) and the General Agreement on Tariffs and Trade (GATT). The Doha Round began in November 2001 and trade representatives from 141 countries have participated in negotiations to lower tariff and non-tariff barriers to trade.</p> <p>As of the writing of this entry in late 2008, Doha Round negotiations have stalled due to three groups of issues:</p> <p>1) Major differences related to agriculture, industrial tariffs, non-tariff barriers, trade in services, and trade remedies. 2) Fundamental differences between developed nations and developing nations. In the former group are the United States, Japan, and countries of the European Union. The latter group is being led mainly by India, Brazil, China, and South Africa. 3)</p>

Term	Definition
	<p>Differences between the European Union and the United States related to agricultural subsidies.</p> <p>The Doha Round began with a ministerial-level meeting in Doha, QATA in November 2001 with subsequent ministerial meetings in Cancún , Mexico (2003) and Hong Kong, SAR, China (2005). Other related negotiations have taken place in Geneva, Switzerland (2004, 2006, 2008); Paris, France (2005); and Potsdam, Germany (2007). Go to <a href="http://www.wto.org">www.wto.org</a> for more information. See trade rounds for an at-a-glance table of all trade rounds to date.</p>
<b>dollar</b>	<p>The currency of:</p> <p>American Samoa (uses U.S. dollar)</p> <p>Anguilla, EC\$1=100 cents;</p> <p>Antigua and Barbuda, 1EC\$=100 cents;</p> <p>Australia, \$A1=100 cents;</p> <p>Bahamas, B\$1=100 cents;</p> <p>Barbados, Bds\$1=100 cents;</p> <p>Belize, Bz\$1=100 cents;</p> <p>Bermuda, Bd\$1=100 cents;</p> <p>British Indian Ocean Territory, (uses U.S. dollar);</p> <p>British Virgin Islands (uses U.S. dollar);</p> <p>Brunei, B\$1=100 cents (sen);</p> <p>Canada, Can\$1=100 cents;</p> <p>Cayman Islands, CI\$1=100 cents;</p> <p>Christmas Island, (uses Australian dollar);</p> <p>Cocos (Keeling) Island, (uses Australian dollar);</p> <p>Cook Islands, (uses New Zealand dollar);</p> <p>Dominica, EC\$1=100 cents;</p> <p>Ecuador, (uses U.S. dollar);</p>

Term	Definition
	<p>El Salvador, (uses U.S. dollar);</p> <p>Fiji, F\$1=100 cents;</p> <p>Grenada, EC\$1=100 cents;</p> <p>Guam (uses U.S. dollar);</p> <p>Guyana, G\$1=100 cents;</p> <p>Heard and McDonald Islands, (uses Australian dollar);</p> <p>Hong Kong, HK\$1=100 cents;</p> <p>Jamaica, J\$ 1 =100 cents;</p> <p>Kiribati (uses Australian dollar);</p> <p>Liberia, \$1=100 cents;</p> <p>Marshall Islands, (uses U.S. dollar);</p> <p>Micronesia, (uses U.S. dollar);</p> <p>Midway, (uses U.S. dollar);</p> <p>Montserrat, EC\$1=100 cents;</p> <p>Namibia, (uses U.S. dollar);</p> <p>Nauru (uses Australian dollar);</p> <p>New Zealand, \$NZ1=100 cents;</p> <p>Nive, (uses New Zealand dollar);</p> <p>Norfolk Island, Uses Australian dollar);</p> <p>Northern Mariara Islands, (uses U.S. dollar);</p> <p>Palau, (uses U.S. dollar);</p> <p>Panama, (uses U.S. dollar);</p>

Term	Definition
	<p>Pitcairn Island, (uses New Zealand dollar);</p> <p>Puerto Rico (uses U.S. dollar);</p> <p>St. Kitts-Nevis, EC\$1=100 cents;</p> <p>St. Lucia, EC\$1=100 cents;</p> <p>St. Vincent and the Grenadines, EC\$1=100 cents;</p> <p>Singapore, S\$1=100 cents;</p> <p>Solomon Islands, SI\$1=100 cents;</p> <p>Suriname, \$Sur1=100 cents;</p> <p>Taiwan, NT\$1=100 cents;</p> <p>Timor Leste, (uses U.S. dollar);</p> <p>Tokelan, (uses New Zealand dollar);</p> <p>Trinidad and Tobago, TT\$1=100 cents;</p> <p>Turks and Caicos Islands (uses U.S. dollar);</p> <p>Tuvalu (uses Australian dollar);</p> <p>United States, US\$1=100 cents;</p> <p>Virgin Islands, U.S. (use U.S. dollar);</p> <p>Zimbabwe, Z\$1=100 cents.</p>
<b>dolly</b>	(shipping) A piece of equipment with wheels used to move containers, pallets or freight with or without the aid of a tractor.
<b>domestic exports</b>	(U.S.) Exports of commodities which are grown, produced, or manufactured in the United States, and commodities of foreign origin which have been changed in the United States, including U.S. foreign trade zones, from the form in which they were imported, or which have been enhanced in value by further manufacture in the United States.
<b>domestic international sales corporation (DISC)</b>	(U.S.) A special U.S. corporation authorized by the U.S. Revenue Act of 1971, as amended by the Tax Reform Act of 1984, to borrow from the U.S. Treasury at the average one-year Treasury bill interest rate to the extent of income tax liable on 94 percent of its annual corporate income. To qualify, the corporation must derive 95 percent of its income from U.S. exports; also, at least 95 percent of its gross assets, such as working capital, inventories, building and equipment, must be export-related. Such a corporation can buy and sell independently, or can operate as a subsidiary of another corporation. It can maintain sales and

Term	Definition
	service facilities outside the United States to promote and market its goods. DISCs can now provide a tax deferral on up to \$10 million of exports so long as the funds remain in export-related investments.
<b>domestic outsourcing</b>	The outsourcing of a business function to a domestic third-party contractor.
<b>domestic trunk line carrier</b>	(U.S. logistics) The now obsolete designation for air carriers that operate between major population centers. The new classification term is major carriers.
<b>domicile</b>	(banking) The place where a draft or acceptance is made payable. See bill of exchange.
<b>dong</b>	The currency of Vietnam. ?1=100 xu.
<b>door-to-door</b>	(shipping) Shipping service from shipper's door to consignee's door. Originating carrier spots (places) empty container at shipper's facility at carrier's expense for loading by and at expense of shipper. The delivering carrier spots the loaded container at consignee's facility at carrier's expense for unloading by and at expense of consignee.
<b>double bottoms</b>	(trucking) The combination of a tractor pulling two trailers, in tandem connected by a converter dolly. See tractor, trailer.
<b>double-column tariff</b>	(customs) An import tariff schedule listing two rates. The rates in one column are for products imported from preferred trading partner countries, while the rates in the second column are for products imported from non-preferred trading countries. See column 1 rates; column 2 rates; Harmonized Tariff Schedules of the United States.
<b>downstream dumping</b>	(customs) The sale of products by a manufacturer below cost to a secondary producer in its domestic market where the product is then further processed and shipped to another country. See dumping.
<b>drachma</b>	The former (pre-2002) currency of Greece. 1Dr=100 lepta.
<b>draft or draught</b>	(shipping) The vertical distance between the waterline and the bottom of the keel of a vessel. The draft of a vessel determines the minimum depth of water in a channel or waterway required for the vessel to travel safely. See plimsoll mark.
<b>draft; draft bill of exchange</b>	See bill of exchange.
<b>dram</b>	The currency of Armenia. Dram1=100 luma.
<b>drawback system</b>	(U.S. Customs) A part of U.S. Customs' Automated Commercial System, provides the means for processing and tracking of drawback claims. See Automated Commercial System; drawback.
<b>drawback--refund of duties</b>	<p>(U.S. Customs) The refund of all or part of customs duties, or domestic tax paid on imported merchandise which was subsequently either manufactured into a different article or reexported. The purpose of drawback is to enable a domestic manufacturer to compete in foreign markets without the handicap of including in his costs, and consequently in his sales price, the duty paid on imported raw materials or merchandise used in the subsequent manufacture of the exported goods.</p> <p>There are several types of drawback:</p> <p>(a) Direct identification drawback provides a refund of duties paid on imported merchandise that is partially or totally used in the manufacture of an exported article. Identification of the imported merchandise from import to export is required by proper record-keeping procedures. The imported merchandise must be used in the manufacturing process and exported within 5 years from date of importation of merchandise.</p> <p>(b) Substitution drawback provides for a refund of duties paid on designated imported merchandise upon exportation of articles manufactured or produced with use of substituted domestic or imported merchandise that is of the same kind or quality as the designated imported merchandise. Same kind and quality means merchandise that is interchangeable in a specific manufacturing process. The imported materials must be used in a manufacturing process within 3 years after receipt by manufacturer, the domestic material of same kind and quality as imported materials must be used in manufacturing process within 3 years of receipt of the imported material and the exported products must be manufactured within 3 years after receipt of</p>

Term	Definition
	<p>imported material by manufacturer, and exported within 5 years of date of importation of designated material.</p> <p>(c) Rejected merchandise drawback is a 99 percent refund of duties paid on imported merchandise found not to conform to sample or specification, or shipped without the consent of the consignee, if returned to Customs custody within 90 days of its original Customs release (unless an extension is granted) for examination and exportation under Customs supervision.</p> <p>Questions regarding the legal aspects of drawback should be addressed to: Chief, Entry Procedures and Carriers Branch, Office of Regulations and Rulings, U.S. Customs and Border Protection, 1300 Pennsylvania Avenue, NW, Washington, DC 20229; Tel: [1] (202) 927-2320; Web: <a href="http://www.cbp.gov">www.cbp.gov</a>.</p>
<b>drawee</b>	(banking) The individual or firm on whom a draft is drawn and who owes the indicated amount. In a documentary collection, the drawee is the buyer. See drawer; bill of exchange.
<b>drawer</b>	(banking) The individual or firm that issues or signs a draft and thus stands to receive payment of the indicated amount from the drawee. In a documentary collection, the drawer is the seller. See drawee; bill of exchange.
<b>dray</b>	(shipping) A vehicle used to haul cargo or goods.
<b>drayage</b>	(shipping) The charge made for hauling freight or carts, drays or trucks.
<b>driving-time regulations</b>	(U.S. trucking) U.S. Department of Transportation (U.S. DOT) rules that limit the number of consecutive daily and weekly hours that a driver can operate a motor vehicle in interstate commerce. Details of other regulations can be found at the Federal Motor Carrier Safety Administration Web site at Web: <a href="http://www.fmcsa.dot.gov">www.fmcsa.dot.gov</a> . Contact: Federal Motor Carrier Safety Administration; United States Department of Transportation; 1200 New Jersey Avenue SE; Washington, DC 20590; Tel: [1] (800) 832-5660; Web: <a href="http://www.fmcsa.dot.gov">www.fmcsa.dot.gov</a> .
<b>droit moral</b>	(law) Moral right doctrine, which is a European legal theory that gives artists certain rights with respect to their works, including to create, disclose, and publish a work; to withdraw it from publication; to be identified as its creator; and to prevent alteration of it without permission.
<b>drop</b>	<p>(logistics) To place an unloaded or full trailer, boxcar or container at a client facility where it can be loaded or unloaded by the client.</p> <p>(marketing) To deliver a bulk mailing to the postal services (or courier) for mailing. See drop date.</p>
<b>drop date</b>	(marketing) The date a bulk mailing is handed over to the postal services (or courier). See drop.
<b>drop shipment</b>	(shipping) A shipment of goods from a manufacturer directly to a dealer or consumer, avoiding shipment to the wholesaler (drop shipper). The wholesaler, however, is compensated for taking the order.
<b>drop-deck/gooseneck trailer</b>	(road transportation) A truck trailer without sides or ends designed to transport oversize cargo that normally would not fit into standard freight trailers. These trailers are also known as gooseneck or low-deck trailers. Drop-deck trailers are distinguished from standard platform or flatbed trailers by having a lower platform height. This enables the trailer to carry taller loads, and often very heavy loads that would be top-heavy on a standard platform trailer. Drop-deck trailers are especially used for the transport of goods that must be loaded from the side, top, or rear of the trailer. Standard cargo for drop-deck trailers includes: ocean freight containers, large oversize machinery, heavy and oversize construction equipment, lumber, plywood, steel, pipe, and rebar.
<b>dropoff</b>	(shipping) The delivery of a shipment by a shipper to a carrier for transportation.
<b>dropoff charge</b>	(shipping) A charge made by a transportation company for delivery of a container.
<b>drum</b>	(shipping container) A cylindrical container used for shipping dry or liquid bulk cargo. Shipping drums can be made of steel, dense paperboard (commonly called a fiber drum), or plastic. Also called a barrel. Drums are most typically used for shipping

Term	Definition
	<p>liquid chemicals.</p> <p>Dums made of plastics--usually thermoplastics like polyethylene, nylon, polystyrene, polyvinyl chlorides (PVCs), or possibly polycarbonates--are the preferred shipping container for the shipment of caustic and acid materials.</p> <p>Drums made of steel are the preferred shipping container for flammable substances like most petroleum distillates and alcohol.</p>
<b>dry bulk (hopper) trailer</b>	(road transportation) A truck trailer designed to carry dry, free-flowing, bulk commodities including grain, shelled corn, cornmeal, feeds, hulled rice, beans, gravel, limestone (loose and pulverized), and sand. Hopper configurations include single, double, and triple hoppers, as well as open- and closed-end configurations. Available as singles, tandems, and three-trailer truck "trains." Dry bulk trailers use rolled tarpaulin tops rather than rigid tops. Dry bulk trailers typically use hoppers to unload; however, others employ conveyor systems.
<b>dry bulk vessel</b>	(shipping) An ocean vessel designed to carry dry bulk cargo. A dry bulk carrier typically has a flush deck with numerous waterproof hatches covering holds into which bulk cargo is stored. Some bulk carriers have deck cranes. Cargo carried includes coal, phosphates, iron and other ores, cocoa, grains, fertilizers, animal feeds, scrap metal, and other dry, loose cargo. Cargo can be loaded by terminal-based gravity chutes or by shore- or ship-based overhead vacuum pumps, which suck the cargo in and out of the holds of the ship. Special types of bulk carriers designed for use on the Great Lakes of the U.S. and Canada transport potash, cement, salt, grain, coal, stone, and iron ore.
<b>dry cargo/freight</b>	(shipping) Cargo which does not require temperature control.
<b>dry-bulk container</b>	(shipping) A container designed to carry any of a number of free-flowing dry solids such as grain or sand.
<b>dry-cargo container</b>	(shipping) Any shipping container designed to transport goods other than liquids.
<b>dual exchange rate</b>	(foreign exchange) The existence of two or more exchange rates for a single currency.
<b>dual operation</b>	(logistics/trucking) A motor carrier that is registered to operate as both a common carrier and contract carrier.
<b>dual pricing</b>	The selling of identical products in different markets for different prices. This often reflects dumping practices. See dumping.
<b>dual-rate system</b>	(shipping) A conference carrier pricing system that allows ocean shippers who sign exclusive shipping agreements to receive discounted services.
<b>due course of transit</b>	(shipping/insurance) Uninterrupted movement of goods from point of origin to destination without delay caused by cargo owner. Marine cargo insurance has traditionally provided coverage for a shipment in due course of transit, excluding coverage, for example, if the cargo owner were to decide to store goods part way through a voyage.
<b>due diligence</b>	The systematic investigation, verification and evaluation of information in order to facilitate a decision regarding a proposed transaction. Performing a due diligence investigation is a standard operating procedure prior to: purchasing a business, investing in a business, awarding an important contract, investing venture capital, loaning money or offering securities. Due diligence can include checking financial references, background checks on key individuals, interviewing current and past clients, checking the legal status of a company and on-site evaluations.
<b>dumping</b>	<p>(customs) The sale of a commodity in a foreign market at less than fair value, usually considered to be a price lower than that at which it is sold within the exporting country or to third countries.</p> <p>"Fair value" can also be the constructed value of the merchandise, which includes cost of production plus a mandatory 8 percent profit margin.</p> <p>Dumping is generally recognized as an unfair trade practice because it can disrupt markets and injure producers of competitive products in an importing country.</p>

Term	Definition
	<p>(a) With price-price dumping, the foreign producer can use its sales in the high-priced market (usually the home market) to subsidize its sales in the low-priced export market. The price difference is often due to protection in the high-priced market.</p> <p>(b) Price-cost dumping indicates that the foreign supplier has a special advantage. Sustained sales below cost are normally possible only if the sales are somehow subsidized.</p> <p>(c) Diversionary dumping is the sale of foreign products to a third country at less than fair value where the product is further processed and shipped to another country.</p> <p>(d) Downstream dumping is the sale of products below cost to a secondary producer in the original producer's domestic market who then further processes the product and ships it to a foreign country.</p> <p>(U.S.) The U.S. Antidumping Law of 1921, as amended, considered dumping as constituting "sales at less than fair value," combined with injury, the likelihood of injury, or the prevention of the establishment of a competitive industry in the United States. The Trade Act of 1974 added a "cost of production" provision, which required that dumping determinations ignore sales in the home market of the exporting country or in third country markets at prices that are too low to "permit recovery of all costs within a reasonable period of time in the normal course of trade." The Trade Agreements Act of 1979 repealed the 1921 act, but reenacted most of its substance in Title VII of the Tariff Act of 1930.</p> <p>See countervailing duties; antidumping duties; constructed value; dumping margin; fair value.</p>
<b>dumping margin</b>	(customs) The amount by which imported merchandise is sold in a country below the home market or third country price or the constructed value (that is, at less than its "fair value"). For example, if the U.S. "purchase price" of an imported article is \$200 and the fair value is \$220, the dumping margin is \$20. This margin is expressed as a percentage of the import country price. In this example, the margin is 10 percent. See dumping; fair value.
<b>dunnage</b>	(shipping) Material placed around cargo to prevent damage or breakage by preventing movement. The material is normally furnished by the shipper and its weight is charged for in the rating of the shipment.
<b>durable goods</b>	(economics) Any product which is not consumed through use. Examples are automobiles, furniture, computers and machinery.
<b>dutiable list</b>	(customs) Items listed in a country's tariff schedule for which it charges import duty.  See Harmonized System; Harmonized Tariff Schedule of the United States.
<b>duty</b>	<p>(customs) A tax levied by a government on the import, export or consumption of goods. Usually a tax imposed on imports by the customs authority of a country. Duties are generally based on the value of the goods (ad valorem duties), some other factors such as weight or quantity (specific duties), or a combination of value and other factors (compound duties). See ad valorem; specific rate of duty; compound rate of duty.</p> <p>(U.S. Customs) All goods imported into the United States are subject to duty or duty-free entry in accordance with their classification under the applicable items in the Harmonized Tariff Schedule of the United States (HTS or HTSUS). An annotated, loose-leaf edition of the HTS may be purchased from the Superintendent of Documents; U.S. Government Printing Office; 732 N. Capitol Street, NW; Washington, DC 20401; Tel: [1] (202) 512-1800; Web: <a href="http://www.gpo.gov/">www.gpo.gov/</a>.</p> <p>Note that duty rates are subject to the classification of goods by Customs. Articles that appear to be similar may have</p>

<b>Term</b>	<b>Definition</b>
	significantly different rates of duty. See classification. Note also that the actual duty paid is also determined by how Customs values the merchandise. See Harmonized Tariff Schedule; valuation.
<b>duty drawback</b>	See drawback.
<b>e-</b>	(computers) Acronym for electronic, such as e-document, e-trade, e-bill of lading, e-commerce, etc.
<b>e-business</b>	(Internet) Short for electronic business. An umbrella term for doing business online. In addition to simply processing transactions online (e-commerce), e-business includes all aspects of conducting business online including: buying, selling, marketing, advertising, order tracking, shipment tracking, and customer service. See e-commerce.
<b>e-commerce</b>	(Internet) Short for electronic commerce. Business transactions conducted on the Internet. The sale of goods or services online. E-commerce is a subset of e-business and generally refers specifically to the ability to process a transaction online. E-commerce also includes electronic data interchange (EDI) which is the structured exchange of business documents (e.g., inquiries, purchase orders, invoices, compliance documents, etc.) between computers.
<b>e-tailing</b>	(Internet) Short for electronic retailing. Business-to-consumer (B2C) sales over the Internet. See B2C, e-business, e-commerce.
<b>EAN</b>	Acronym for European Article Number, now also called IAN (International Article Numbering). An international standard numbering and bar coding system used primarily in retail applications developed by EAN International and which is compatible with the U.S. UPC (Universal Product Code). For information go to: <a href="http://www.gs1.org">www.gs1.org</a> . See also: European Article Number Association International.
<b>easement</b>	(law) A right to use another person's property. A property owner who, to enter and exit the property, is given a right to cross another person's adjoining property holds an easement. The right to use an easement is a servitude against the property burdened. See servitude.
<b>East-South trade</b>	(economics) Trade between developing countries (South) with non-market economies (East).
<b>East-West trade</b>	(economics) Trade between countries with developed market economies (West) and countries with nonmarket economies (East).
<b>ECB</b>	See European Central Bank.
<b>Economic Community of West African States (ECOWAS)</b>	ECOWAS (CEDEAO in French and Portuguese) is a regional alliance, created in 1974, that includes: Benin, Burkina Faso, Cote d'Ivoire, Mali, Mauritania, Niger, and Senegal. (Togo has observer status). The ECOWAS operates as a free trade area for agricultural products and raw materials and as a preferential trading area for approved industrial products, with a regional cooperation tax (TCR) replacing import duties and encouraging trade among member states. In order to ensure that benefits of the regional grouping flow to all members, especially the least developed ones (Mali, Mauritania, Niger, and Burkina Faso), the ECOWAS has established a fund to provide financial services and guarantees to development lenders in both public and private sectors for projects in member states. In addition, ECOWAS has the long-term objective of creating a customs union with extensive harmonization of fiscal policies between member states, though no concrete achievements in this direction have been recorded. Contact: ECOWAS; 60 Yakubu Gowon Crescent; Asokoro District P.M.B. 401 Abuja, Nigeria; Tel: [234] (9) 314-7647; Web: <a href="http://www.ecowas.int/">www.ecowas.int/</a> .
<b>economic officers</b>	(U.S.) Embassy officials who analyze and report on macroeconomic trends and trade policies and their implications for U.S. policies and programs. Economic officers represent U.S. interests and arrange and participate in economic and commercial negotiations. See commercial officers; Foreign Service.
<b>economic order quantity (EOQ)</b>	(logistics) The optimum order size that achieves the best possible balance between meeting customer needs and minimizing ordering and inventory holding costs.
<b>economy of scale</b>	(economics) The decrease in unit cost as a result of increasing production so that fixed costs may be spread out over a greater number of units produced.

<b>Term</b>	<b>Definition</b>
<b>ecotourism</b>	Personal travel to places of unique natural or ecological beauty that minimizes ecological impact to the land and wildlife while contributing to its preservation. Ecotourism is seen as a combination of appreciation of nature, adventure travel and cultural exploration. Also the provision of services to facilitate such travel. Ecotourism has become a booming subcategory of the worldwide travel industry and has been an important factor in the preservation of certain ecosystems.
<b>ecu or ECU</b>	See European Currency Unit.
<b>Edge Act corporations</b>	(banking) Banks that are subsidiaries either to bank holding companies or other banks established to engage in foreign business transactions.
<b>EDI</b>	(logistics/computers) Acronym for Electronic Data Interchange. (a) The transfer of structured data, by agreed message standards, from one computer application to another by electronic means and with a minimum of human intervention. (b) The electronic exchange of documents between businesses and organizations, or between businesses and government agencies.  Documents routinely sent by EDI include purchase orders, commercial invoices, inquiries, price sheets, shipping documents, test results, payment documents and compliance documents for government agencies. The trend is for more and more documentation to be sent by EDI. For example, a number of government agencies worldwide, including import and export authorities, now require that compliance documents be sent exclusively by EDI. The key issue in EDI today relates to establishing international and industry-specific standards for document transmittal. See UN/EDIFACT, American National Standards Organization; International Standards Organization.
<b>EDIFACT</b>	See UN/EDIFACT.
<b>effective exchange rate</b>	(banking/foreign exchange) Any spot exchange rate actually paid or received by the public, including any taxes or subsidies on the exchange transaction as well as any applicable banking commissions.
<b>efficient consumer response (ECR)</b>	(logistics) A demand-driven stock replenishment system that links point-of-sale data with all points in the logistics chain for the purpose of satisfying customer demand quickly, efficiently and at least cost.
<b>Electronic Data Interchange</b>	See EDI.
<b>Electronic Data Interchange (EDI) Release</b>	(Canada Customs) EDI Release is a Canada Border Services Agency (CBSA) import shipment release program that allows importers to electronically transmit release data, including invoice information, to the Accelerated Commercial Release Operations Support System (ACROSS). A customs officer reviews the information and transmits the release decision back to the importer via the RNS/CADEX Release Notification Report. For more information on EDI release, go to <a href="http://www.cbsa-asfc.gc.ca/eservices/overview-sommaire-eng.html">www.cbsa-asfc.gc.ca/eservices/overview-sommaire-eng.html</a> .
<b>Electronic Data Interchange for Administration, Commerce and Transportation</b>	See UN/EDIFACT.
<b>electronic entry</b>	The electronic transmission to the customs service of a country of 1) entry information required for the entry of merchandise, and 2) entry summary information required for the classification and appraisal of the merchandise, the verification of statistical information and the determination of compliance with applicable law.
<b>electronic funds transfer (EFT)</b>	(banking) System of transferring funds from one account to another by electronic impulses rather than transfer of paper (such as a check).
<b>electronic transmission</b>	The transfer of import or export data or information through an authorized electronic data interchange (EDI) system consisting of, but not limited to, computer modems and computer networks.

Term	Definition
<b>embargo</b>	A prohibition upon exports or imports, either with respect to specific products or specific countries. Historically, embargoes have been ordered most frequently in time of war, but they may also be applied for political, economic or sanitary purposes. Embargoes imposed against an individual country by the United Nations--or a group of nations--in an effort to influence its conduct or its policies are sometimes called "sanctions." See sanction.
<b>EMC Mark</b>	(standards) EMC is an acronym for electromagnetic compatibility. The International "EMC-Mark" appears on products meeting the electromagnetic compatibility requirements of Europe, the United States, Japan, Australia, or any combination of the four.  (United States) In the United States, some types of products cannot be sold without proof of compliance to certain electromagnetic compatibility requirements. The types of products that are subject to EMC testing include medical and dental equipment, computers, microwave ovens, televisions, radios, transmitters, and radio-controlled equipment. Certification for the EMC-Mark may be obtained in a number of country certification organizations including the Italian Quality Mark Institute (IMQ), TÜV Product Service GmbH (TÜV PS) in Germany, Underwriters Laboratories Inc. (UL) in the United States, and VDE Institute (VDE). For information: <a href="http://www.tuvdotcom.com/pi/web/ZartManufacturer.xml?strUrlId=1&amp;strUserId=&amp;strLevel=0&amp;type=CertifiedZart&amp;strZart=249&amp;zart_lang_id=1&amp;sLand=&amp;sLang=">www.tuvdotcom.com/pi/web/ZartManufacturer.xml?strUrlId=1&amp;strUserId=&amp;strLevel=0&amp;type=CertifiedZart&amp;strZart=249&amp;zart_lang_id=1&amp;sLand=&amp;sLang=</a> .
<b>emergency currency adjustment factor (ECAAF)</b>	(logistics) A freight surcharge or adjustment factor imposed by an international carrier to compensate for sustained or rapid fluctuations in foreign currency exchange rates. The ECAF is charged as a percentage of the published rate. See currency adjustment factor.
<b>Emergency Response Guidebook 2008</b>	(hazardous materials) The Emergency Response Guidebook (ERG2008) was developed jointly by the US Department of Transportation, Transport Canada, and the Secretariat of Communications and Transportation of Mexico (SCT) for use by firefighters, police, and other emergency services personnel who may be the first to arrive at the scene of a transportation incident involving a hazardous material. It is primarily a guide to aid first responders in (1) quickly identifying the specific or generic classification of the material(s) involved in the incident, and (2) protecting themselves and the general public during this initial response phase of the incident. The ERG is updated every three to four years to accommodate new products and technology. The next version is scheduled for 2012.
<b>emphyteusis</b>	(law) A tenant's right to enjoy property owned by another individual or legal entity for a lengthy time and for rent as if the tenant owned it. The tenant may, and is usually expected to, improve the property. The tenant may also demise, assign, or otherwise transfer his or her interest in the property, but the tenant must preserve the property from destruction.
<b>en route</b>	(shipping) In transit (referring to goods, passengers or vessel).
<b>enabling clause</b>	(WTO) A part of the World Trade Organization (WTO) framework which permits developed country members to give more favorable treatment to developing countries and special treatment to the least developed countries, notwithstanding most-favored-nation provisions.
<b>endorsement</b>	(insurance) An amendment to the wording of an insurance policy that changes the policy's original terms. An endorsement may be attached to a policy from inception, or added to the policy at a later date. An endorsement may take the form of anything from a change of address for the insurer or insured, to adding or deleting insurance coverage.  (banking/law) (In U.K., indorsement) The act of a person who is the holder of a negotiable instrument in signing his or her name on the back of that instrument, thereby transferring title or ownership. An endorsement may be made in favor of another individual or legal entity, resulting in a transfer of the property to that other individual or legal entity.  (a) An endorsement in blank is the writing of only the endorser's name on the negotiable instrument without designating another person to whom the endorsement is made, and with the implied understanding that the instrument is payable to the bearer.

Term	Definition
	<p>(b) A collection endorsement is one that restricts payment of the endorsed instrument to purposes of deposit or collection.</p> <p>(c) A conditional endorsement is one that limits the time at which the instrument can be paid or further transferred or that requires the occurrence of an event before the instrument is payable.</p> <p>(d) A restrictive endorsement is one that directs a specific payment of the instrument, such as for deposit or collection only, and that precludes any other transfer of it.</p>
<b>Enhanced Proliferation Control Initiative (EPCI)</b>	(U.S.) A series of measures to tighten export controls on goods and technologies useful in the production of chemical and missile weapons systems. EPCI allows the U.S. Department of Commerce greater authority to deny exports of low-level goods and technologies to nations of proliferation concern. See U.S. Department of Commerce.
<b>Enterprise for the Americas Initiative (EAI)</b>	<p>The EAI, which was launched in June 1990, is intended to develop a new economic relationship of the U.S. with Latin America. The EAI has trade investment, debt, and environment aspects. With regard to trade, the EAI involves an effort to move toward free trade agreements with markets in Latin America and the Caribbean, particularly with groups of countries that have associated for purposes of trade liberalization.</p> <p>To begin the process of creating a hemispheric free trade system, the U.S. seeks to enter into "framework" agreements on trade and investment with interested countries or groups of countries. These agreements set up intergovernmental councils to discuss and, where appropriate, to negotiate the removal of trade and investment barriers.</p>
<b>enterprise resource planning</b>	See ERP.
<b>entity, legal</b>	(law) An individual or organization (proprietorship, partnership or corporation) that can legally enter into an agreement or contract and can sue or be sued in a court of law. For example, a minor is not a legal entity and therefore cannot sue or be sued.
<b>entrepôt</b>	(shipping) An intermediary storage facility where goods are kept temporarily for distribution within a country or for reexport.
<b>entrepôt trade</b>	The import and export of goods without the further processing of the goods. Usually refers to a country, locale or business that buys and sells (imports and exports) as a middleman.
<b>entry</b>	<p>(customs) A statement of the kinds, quantities and values of goods imported together with duties due, if any, and declared before a customs officer or other designated officer.</p> <p>(U.S. Customs) The process of, and documentation required for, securing the release of imported merchandise from Customs.</p> <p>See entry for consumption; entry for warehouse; mail entry; entry documents.</p>
<b>entry documents</b>	<p>(customs) The documents required to secure the release of imported merchandise.</p> <p>(U.S Customs) Within five working days of the date of arrival of a shipment at a U.S. port of entry, entry documents must be filed at a location specified by the district/area director, unless an extension is granted. These documents consist of:</p> <ol style="list-style-type: none"> <li>1) Entry Manifest, Customs Form 7533; or Application and Special Permit for Immediate Delivery, Customs Form 3461, or other form of merchandise release required by the district director.</li> <li>2) Evidence of right to make entry.</li> </ol>

Term	Definition
	<p>3) Commercial invoice or a pro-forma invoice when the commercial invoice cannot be produced.</p> <p>4) Packing lists if appropriate.</p> <p>5) Other documents necessary to determine merchandise admissibility.</p> <p>If the goods are to be released from Customs custody on entry documents, an entry summary for consumption must be filed and estimated duties deposited at the port of entry within 10 working days of the time the goods are entered and released. See entry.</p>
<b>entry for consumption</b>	(U.S. Customs) The process of effecting entry of goods into the United States for use in the United States. The entry of merchandise is a two-part process consisting of: (1) filing the documents necessary to determine whether merchandise may be released from Customs custody and (2) filing the documents which contain information for duty assessment and statistical purposes. In certain instances, such as the entry of merchandise subject to quotas, all documents must be filed and accepted by Customs prior to the release of the goods. See entry; entry documents.
<b>entry for warehouse</b>	(U.S. Customs) A type of U.S. Customs entry where the release of goods (and payment of duty) is postponed by having them placed in a Customs bonded warehouse, where they may remain for up to five years from the date of importation. At any time during that period the goods may be reexported without the payment of duty, or they may be withdrawn for consumption upon the payment of duty at the rate of duty in effect on the date of withdrawal. If the goods are destroyed under Customs' supervision, no duty is payable. See entry; customs bonded warehouse; entry for consumption.
<b>entry number</b>	(U.S. Customs) A unique 11-position alphanumeric identifier assigned by an entry filer to each entry transaction. The first 3 positions identify the filer. The next 7 positions are the number assigned to the entry by the filer. The last position is a check digit.
<b>entry summary selectivity system</b>	(U.S. Customs) A part of U.S. Customs' Automated Commercial System, provides an automated review of entry data to determine whether team or routine review of entry is required. Selectivity criteria include an assessment of risk by importer, tariff number, country of origin, manufacturer, and value. Summaries with Census warnings, as well as quota, antidumping and countervailing duty entry summaries are selected for team review. A random sample of routine review summaries is also automatically selected for team review. See Automated Commercial System.
<b>Environmental Protection Agency (EPA)</b>	(U.S. government) An independent agency in the executive branch whose mandate is to control and abate pollution in the areas of air, water, solid waste, pesticides, radiation, and toxic substances. This is achieved through a combination of research, monitoring, standard setting and enforcement activities. Contact: Environmental Protection Agency; Ariel Rios Building; 1200 Pennsylvania Avenue, NW; Washington, DC 20460 USA; Tel: [1] (202) 272-0167; Web: <a href="http://www.epa.gov">www.epa.gov</a> .
<b>equalization</b>	(shipping) A monetary allowance to the customer for picking up or delivering cargo to/from a point which is not the origin/destination shown on the bill of lading. Example, when the bill of lading destination indicates "San Francisco" and cargo is discharged in "Oakland," if the customer picks up the cargo in Oakland, he is allowed the difference in cost between the Oakland pickup to the customer's place of business and the projected actual cost if pickup had been made in San Francisco and drayed to the customer's place of business in San Francisco. This provision is covered by tariff publication.
<b>equitable assignment</b>	(law) An assignment that does not meet statutory requirements but that a court may nevertheless recognize and enforce in equity, that is, to do justice between the parties. If parties make an oral assignment that by statute must be in writing to be enforced, for example, a court may still enforce it as an equitable assignment, particularly if one party has acted in reliance on the assignment and would be harmed if it were not enforced. See assignment.
<b>ERP</b>	(logistics) Acronym for Enterprise Resource Planning. A resource planning methodology (and application software) that integrates all aspects of forecasting, distribution and manufacturing for the purpose of efficiently allocating resources. It is the

Term	Definition
	next generation of MRP II (Manufacturing Resources Planning) and includes additional functionality such as quality process operations management and regulatory reporting. See MRP (Manufacturing Resources Planning).
<b>errors &amp; omissions excepted (E&amp;OE)</b>	(shipping) A notation adjacent to a signature on a document signifying that the signor is disclaiming responsibility for typographical errors or unintentional omissions.
<b>escape clause</b>	<p>A provision in a bilateral or multilateral commercial agreement permitting a signatory nation to suspend tariff or other concessions (temporarily violate their obligations) when imports threaten serious harm to the producers of competitive domestic goods.</p> <p>(U.S.) Section 201 of the U.S. Trade Act of 1974 requires the U.S. International Trade Commission to investigate complaints formally known as "petitions" filed by domestic industries or workers claiming that they have been injured or are threatened with injury as a consequence of rapidly rising imports, and to complete any such investigation within six months. Section 203 of the Act provides that if the Commission finds that a domestic industry has been seriously injured or threatened with serious injury, it may recommend that the president grant relief to the industry in the form of adjustment assistance or temporary import restrictions in the form of tariffs, quotas, or tariff quotas. The president must then take action pursuant to the Commission's recommendations within 60 days, but he may accept, modify or reject them, according to his assessment of the national interest. The Congress can, through majority vote in both the Senate and the House of Representatives within 90 legislative days, override a presidential decision not to implement the Commission's recommendations. The law permits the president to impose import restrictions for an initial period of five years and to extend them for a maximum additional period of three years. See adjustment assistance.</p>
<b>escudo</b>	<p>The currency of:</p> <p>Cape Verde, 1C.V.Esc=100 centavos;</p> <p>The former currency (pre-2002) of Portugal, 1Esc=100 centavos.</p>
<b>estate agent</b>	(UK) British term for real estate agent.
<b>estimated time of arrival (ETA)</b>	(shipping) The expected date and time of arrival of a shipment, passenger or vessel at a port, airport or terminal.
<b>estimated time of departure (ETD)</b>	(shipping) The estimated date and time of departure of a shipment, passenger or vessel from a port, airport or terminal.
<b>ETA</b>	Acronym for Estimated Time of Arrival. The term is used extensively in military and civilian air, ocean, truck and rail logistics.
<b>eUCP</b>	(banking) Acronym for "Electronic Supplement to the Uniform Customs and Practice for Documentary Credits." The eUCP provides a framework of general principles for the electronic presentation of documents in documentary (letter of) credit operations. Documentary credits are not automatically subject to the rules of the eUCP. Individual credits must contain language stating that they are subject to the eUCP and the applicable version of the eUCP. The eUCP (as well as the UCP) were developed by the International Chamber of Commerce (ICC), which publishes both the rules and guidebooks for their use. See International Chamber of Commerce.
<b>EUR 1</b>	(shipping) Goods transport certificate and proof of preference for export in countries and regions associated with the European Union (EU) and European Economic Area (EEA) through free trade agreements, and association or preferential agreements, as long as the goods concerned are included in the tariff preferences.
<b>Euro (euro)</b>	The currency of the European Union and a number of countries related to EU member countries (such as former colonies). i1 = 100 cents. The Euro is the official currency of: Åland Islands, Andorra, Austria, Belgium, Cyprus, Finland, France, French

<b>Term</b>	<b>Definition</b>
	Guiana, French Southern Territories, Germany, Greece, Guadeloupe, Ireland, Italy, Luxembourg, Malta, Martinique, Mayotte, Monaco, Montenegro, Netherlands, Portugal, Reunion, Saint Barthélemy, Saint Pierre and Miquelon, San Marino, Slovakia, Slovenia, Spain, and Vatican City State.
<b>Eurobond</b>	(finance) A bond issued in a currency other than that of the market or markets in which it is sold. The issue is handled by an international syndicate.
<b>Eurobond market</b>	(finance) Euromarket for international long-term bonds (Eurobonds).
<b>Eurocard</b>	(banking) A European credit card developed by the West German banking system that is accepted in most western European countries.
<b>Eurocheque</b>	(banking) A credit card (in the form of a check) for purchasing goods in several western European countries.
<b>Eurocredit market</b>	(finance) Euromarket for medium-term credits.
<b>Eurocurrency</b>	(banking) A currency deposit held outside the country which issued the currency.
<b>Eurodollars</b>	(banking) U.S. dollar-denominated deposits in banks and other financial institutions outside of the United States. Originating from, but not limited to, the large quantity of U.S. dollar deposits held in western Europe.
<b>Euromarket</b>	(finance) An international capital market on which deposits and claims are traded in currencies outside the sovereign territory of the states in question. Euromoney markets exist in the major financial hubs of western Europe but are focused on London and Luxembourg. Exists alongside the national money markets.
<b>European (style) option</b>	See European option.
<b>European Article Number Association International (EAN)</b>	<p>(international standards) Note: GS1 came into existence when the Uniform Code Council (UCC) and the Electronic Commerce Council of Canada (ECCC) joined EAN International.</p> <p>A not-for-profit international organization whose mission is to develop a set of standards enabling the efficient management of global, multi-industry supply chains by uniquely identifying products, shipping units, assets, locations and services. Individuals worldwide see EAN barcodes on virtually all consumer products. Worldwide consistency in identification practices enables the sharing of electronic data and streamlines the supply chain. Founded in 1977 to form a Universal Product Code (UPC), EAN aimed to facilitate the development of such standards. It seized a lead role in encouraging and propagating standards and achieved worldwide acceptance. Today 97 member organizations from 99 countries support its activities and disseminate information to about 850,000 member companies who benefit from using the EAN-UPC system. The main activities of member organizations include the allocation of unique numbers, distribution of specialized publications, training on EDI and bar coding and supplying information on the continued development of EAN standards. Contact: GS1; Blue Tower; 326 Avenue Louise; BE 1050 Brussels, Belgium; Tel: [32] 2 788 7800; Fax: [32] 2 788 7899; Web: www.gs1.org.</p>
<b>European Bank for Reconstruction and Development (EBRD)</b>	(banking) The EBRD provides assistance through direct loans. The loans are designed to facilitate the development of market-oriented economies and to promote private and entrepreneurial initiatives. EBRD began financing operations in June 1991. Contact: European Bank for Reconstruction and Development; One Exchange Square; London EC2A 2JN, UK; Tel: [44] (20) 7338-6000; Fax: [44] (20) 7338-6100; Web: www.ebrd.com.
<b>European Central Bank (ECB)</b>	(banking) The central bank of the European Union (EU), which, along with the ESCB (European System of Central Banks), sets monetary policy for EU countries in the single currency (the Euro or i). Contact: European Central Bank; Kaiserstrasse 29; D-60311 Frankfurt am Main; Germany; Tel: [49] 69 1344 0; Web: www.ecb.int.
<b>European Coal and Steel Community</b>	See European Community.
<b>European Commission</b>	One of the five major institutions of the European Union (EU), the Commission is responsible for ensuring the implementation of the Treaty of Rome and EU rules and obligations; submission of proposals to the Council of Ministers; execution of the Council's

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	decisions; reconciliation of disagreements among Council members; administration of EC policies, such as the Common Agricultural Policy and coal and steel policies; taking necessary legal action against firms or member governments; and representing the EU in trade negotiations with nonmember countries. Contact: European Commission; B-1049 Brussels, Belgium; Web: <a href="http://ec.europa.eu/index_en.htm">http://ec.europa.eu/index_en.htm</a> . See European Community; European Union; Treaty of Rome; common agricultural policy.
<b>European Committee for Electrotechnical Standardization (CENELEC)</b>	CENELEC is a nonprofit international organization under Belgian law. CENELEC seeks to harmonize electrotechnical standards published by the national member organizations and to remove technical barriers to trade that may be caused by differences in standards. CENELEC members include Austria, Belgium, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom. Contact: CENELEC (Comité European Normalization Electrotechnical); 17, Avenue Marnix, B-1000 Brussels, Belgium; Tel: [32] (2) 519-68-71; Web: <a href="http://www.cenelec.eu">www.cenelec.eu</a> .  The National Institute of Standards and Technology of the United States Department of Commerce operates an EC Hotline, which provides information on directives and draft CEN and CENELEC standards. Tel: [1] (301) 921-4164.
<b>European Committee for Standardization (CEN)</b>	The CEN (Comité European de Normalisation) is an association of the national standards organizations of 18 countries of the European Community (EC) and of the European Free Trade Association (EFTA). CEN membership is open to the national standards organization of any European country which is, or is capable of becoming, a member of the EC or EFTA. CEN develops voluntary standards in building, machine tools, information technology, and in all sectors excluding the electrical ones covered by the European Committee for Electrotechnical Standardization. CEN is involved in accreditation of laboratories and certification bodies as well as quality assurance. Contact: CEN-CENELEC Management Centre; Avenue Marnix 17; B-1000 Brussels, Belgium; Tel: [32] (2) 550-0811; Fax: [32] (2) 550-0819; Web: <a href="http://www.cen.eu">www.cen.eu</a> .  The National Institute of Standards and Technology of the United States Department of Commerce operates an EU Hotline, which provides information on directives and draft CEN and CENELEC standards. Tel: [1] (301) 921-4164.
<b>European Community (EC)</b>	A popular term for the European Communities that resulted from the 1967 "Treaty of Fusion" that merged the secretariat (the "Commission") and the intergovernmental executive body (the "Council") of the older European Economic Community (EEC) with those of the European Coal and Steel Community (ECSC) and the European Atomic Energy Community EURATOM, which was established to develop nuclear fuel and power for civilian purposes. The European Community has since been renamed the European Union (EU). See European Union.
<b>European Conference of Postal and Telecommunications Administrations (CEPT)</b>	Founded in 1959 to strengthen relations between postal and telecommunications administrations and to improve their technical services. Contact: The CEPT Presidency; ECO, Peblingehus, Nansensgade 19-3, DK-1366 Copenhagen, Denmark; Tel: [45] 33 89 63 00; Fax: [45] 33 89 63 30; Web: <a href="http://www.cept.org">www.cept.org</a> .
<b>European Currency Unit (ecu or ECU)</b>	(banking/foreign exchange-obsolete) The ecu was a "basket" of specified amounts of each European Union (EU) member state currency used as an internal accounting unit. Amounts were determined according to the economic size of each EU member. The ecu was conceived by the European Economic Community (EEC), the predecessor of the European Union. The ecu has been replaced by the European Union Euro (€). See currency basket.
<b>European Economic Community</b>	See European Union.
<b>European Free Trade Association (EFTA)</b>	A regional trade organization established in 1960 by the Stockholm Convention, as an alternative to the Common Market. EFTA was designed to provide a free trade area for industrial products among member countries. Unlike the European Community (now the European Union), however, EFTA members did not set up a common external tariff and did not include agricultural

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	<p>trade.</p> <p>The EFTA is headquartered in Geneva, and comprises Austria, Iceland, Norway, Sweden, and Switzerland. Finland is an Associate Member. Denmark and the United Kingdom were formerly members, but they withdrew from EFTA when they joined the European Community in 1973. Portugal, also a former member, withdrew from EFTA in 1986 when it joined the EC (now the EU).</p> <p>EFTA member countries have gradually eliminated tariffs on manufactured goods originating and traded within EFTA. Agricultural products, for the most part, are not included on the EFTA schedule for internal tariff reductions. Each member country maintains its own external tariff schedule and each has concluded a trade agreement with the European Community that provides for the mutual elimination of tariffs for most manufactured goods except for a few sensitive products. As a result, the European Community and EFTA form a de facto free trade area. Contact: EFTA; 9-11, rue de Varembe; CH-1211 Geneva 20, Switzerland; Tel: [41] (22) 332-2626; Fax: [41] (22) 332-2677; Email: mail.gva@efta.int; Web: www.efta.int. See European Union.</p>
<b>European Investment Bank (EIB)</b>	<p>(banking) The EIB is an independent public institution set up by the Treaty of Rome to contribute to balanced and steady development in the European Community. The EIB provides loans and guarantees to companies and public institutions to finance regional development, structural development, and achieve cross-border objectives. The EIB has emphasized regional development and energy, with Italy, Greece, and Ireland receiving major support. Contact: European Investment Bank; 98-100 Blvd. Konrad Adenauer; L-2950 Luxembourg; Tel: [352] 43 79 1; Web: www.eib.org.</p>
<b>European Monetary System (EMS)</b>	<p>(banking/foreign exchange-obsolete) The former monetary system of the European Community (EC) member states (now the European Union-EU) which led to the creation of a zone of currency stability as the forerunner of the single European currency (the Euro or i).</p> <p>The goal of the EMS was to move Europe toward closer economic integration and avoid the disruptions in trade that resulted from fluctuations in currency exchange rates. The EMS member countries deposited gold and dollar reserves with the European Monetary Cooperation Fund in exchange for the issuance of European Currency Units (ecu).</p> <p>Established in 1979; all EC (now EU) members except Greece and the United Kingdom participated in the exchange rate mechanism of the EMS. Note that as of January 1, 2002, the ecu has been replaced by the Euro (i).</p> <p>See European Currency Unit; European Monetary Union; European Community, Euro.</p>
<b>European option</b>	<p>(banking/foreign exchange) An option containing a provision to the effect that it can only be exercised on the expiry or maturity date. See American option; option.</p>
<b>European Organization for Conformity Assessment (EOTC)</b>	<p>The EOTC (the organization has retained its old acronym for European Organization for Testing and Certification) was created in October 1990 by the European Community Commission under a memorandum of agreement with the European Committee for Standardization/European Committee for Electrotechnical Standardization (CEN/CENELEC) and the European Free Trade Association countries. The EOTC promotes mutual recognition of tests, test and certification procedures, and quality systems within the European private sector for product areas or characteristics not covered by European Community legislative requirements. Web: www.conformityassessment.org.</p>
<b>European Patent Convention (EPC)</b>	<p>An agreement between European nations to centralize and standardize patent law and procedure. The EPC, which took effect in 1977, established a single "European patent" through application to the European Patent Office in Munich. Once granted, the patent matures into a bundle of individual patents--one in each member country. Contact: European Patent Office; D-80298, Munich, Germany; Tel: [49] (89) 2399-0; Fax: [49] (89) 2399-4560; Web: www.epo.org.</p>

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<b>European Patent Office</b>	See European Patent Convention.
<b>European Telecommunications Standards Institute (ETSI)</b>	ETSI was established in March 1988 in response to the inability of the Council of European Post and Telecommunications Administration (CEPT) to keep up with the schedule of work on common European standards and specifications agreed to in the 1984 Memorandum of Understanding between CEPT and the European Community (EC). ETSI has a contractual relationship with the EC to pursue standards development for telecommunications equipment and services, and it cooperates with other European standards bodies such as the European Committee for Standardization/European Committee for Electrotechnical Standardization (CEN/CENELEC). ETSI membership includes the telecommunications administrations that constitute the CEPT as well as manufacturers, service providers, and users. Contact: European Telecommunications Standards Institute (ETSI); 650 route des Lucioles; 06291 Sophia-Antipolis Cedex, France; Tel: [33] (4) 92 94 42 00; Web: www.etsi.org.
<b>European Union (EU)</b>	<p>A regional economic, monetary, social and political association of European states founded for the purpose of the elimination of intraregional customs duties and other internal trade barriers, the establishment of a common external tariff against other countries, the establishment of a common monetary policy and common currency, the gradual adoption of other integrating measures, including a Common Agricultural Policy and guarantees of free movement of labor and capital.</p> <p>The EU was originally established by the Maastricht Treaty in 1993. The Treaty extended the previous Treaties establishing the three European Communities, i.e., the European Coal and Steel Community (ECSC), the European Atomic Energy Community (Euratom), and the European Economic Community.</p> <p>The EU is the result of a process of cooperation and integration which began in 1951 between six countries (Belgium, Germany, France, Italy, Luxembourg and the Netherlands). After nearly 50 years, with four waves of accessions (1973: Denmark, Ireland and the United Kingdom; 1981: Greece; 1986: Spain and Portugal; 1995: Austria, Finland and Sweden), the EU today has fifteen Member States and is preparing for its fifth enlargement, this time toward eastern and southern Europe.</p> <p>Objectives.</p> <p>The European Union's mission is to organize relations between the Member States and between their peoples in a coherent manner and on the basis of solidarity.</p> <p>The main objectives are:</p> <ol style="list-style-type: none"> <li>1) to promote economic and social progress (the single market was established in 1993; the single currency was launched in 1999);</li> <li>2) to assert the identity of the European Union on the international scene (through European humanitarian aid to non-EU countries, common foreign and security policy, action in international crises; common positions within international organizations);</li> <li>3) to introduce European citizenship (which does not replace national citizenship but complements it and confers a number of civil and politic rights on European citizens);</li> <li>4) to develop an area of freedom, security and justice (linked to the operation of the internal market and more particularly the freedom of movement of persons);</li> </ol>

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	<p>5) to maintain and build on established EU law (all the legislation adopted by the European institutions, together with the founding treaties).</p> <p>Institutions.</p> <p>There are five institutions involved in running the European Union: the European Parliament (elected by the peoples of the Member States), the Council (representing the governments of the Member States), the Commission (the executive and the body having the right to initiate legislation), the Court of Justice (ensuring compliance with the law), and the Court of Auditors (responsible for auditing the accounts). These institutions are supported by other bodies: the Economic and Social Committee and the Committee of the Regions (advisory bodies which help to ensure that the positions of the EU's various economic and social categories and regions respectively are taken into account), the European Ombudsman (dealing with complaints from citizens concerning maladministration at European level), the European Investment Bank (EU financial institution) and the European Central Bank (responsible for monetary policy in the Euro-area).</p> <p>Council of the European Union; Rue de la Loi; 175 B-1048 Brussels; Tel: [32] (2) 281 61 11; Fax: [32] (2) 281 69 34; Web: <a href="http://www.consilium.europa.eu/">www.consilium.europa.eu/</a>.</p>
<b>evidence of right to make entry</b>	<p>(U.S. Customs) Goods may be entered into the Customs territory of the United States only by the owner, purchaser, or a licensed customs broker acting on behalf of the owner or purchaser. Customs requires evidence of right to make entry as part of the entry documentation.</p> <p>When the goods are consigned "to order," the bill of lading properly endorsed by the consignor may serve as evidence of the right to make entry. An air waybill may be used for merchandise arriving by air.</p> <p>In most instances, entry is made by a person or firm certified by the carrier bringing the goods to the port of entry and is considered the "owner" of the goods for customs purposes. For example, a customs broker with a valid power of attorney signed by the owner of a shipment may present documents to customs as evidence of right to make entry. The document issued by the carrier is known as a "carrier's certificate." In certain circumstances, entry may be made by means of a duplicate bill of lading or a shipping receipt. See entry.</p>
<b>ex ... (named point of origin)</b>	(trade term) A term of sale where the price quoted applies only at the point of origin and the seller agrees to place the goods at the disposal of the buyer at the specified place on the date or within the period fixed. All other charges are for the account of the buyer. For a more complete definition, see Ex Works. See Incoterms.
<b>ex dock</b>	(trade term) A term of sale where the buyer takes title to the goods only when they are unloaded on dock at port of discharge. Selling price includes all costs up and including unloading from vessel. See Ex Works; Incoterms.
<b>ex factory</b>	(trade term) A term of sale where the buyer takes title to the goods when they leave the vendor's dock. See Ex Works; Incoterms.
<b>ex parte</b>	(law) By one party or side only. An application ex parte, for example, is a request that is made by only one of the parties involved in a legal action. A hearing ex parte is a court proceeding at which the persons present represent only one side of the controversy. See letter of credit.
<b>ex quay</b>	See Delivered Ex Quay; Incoterms.
<b>ex ship</b>	See Delivered Ex Ship; Incoterms.
<b>ex warehouse</b>	See Ex Works; Incoterms.

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<b>Ex Works (. . . named place of delivery) (EXW)</b>	<p>(Incoterms© 2010, enter into force January 1, 2011)</p> <p>One of the 11 Incoterms© 2010.</p> <p>In Ex Works, the seller/exporter/manufacturer merely makes the goods available to the buyer at the seller's "named place of delivery," which is commonly, but not necessarily, the seller's place of business.</p> <p>With EXW, the seller has no responsibility to load the goods onto a truck or other transport vehicle or to clear the goods for export. This trade term places the greatest responsibility on the buyer and minimum obligations on the seller.</p> <p>The parties to the transaction, however, may stipulate that the seller be responsible for loading the goods onto a transport vehicle at the risk and cost of the buyer. Such a stipulation is a variant and must be made within the contract of sale.</p> <p>When using the FCA term, it is advisable to clearly specify in the contracts of sale and carriage the precise point of delivery.</p> <p>The EXW term is generally not recommended for international trade transactions, as loading the goods at the seller's named place and handling export formalities usually places too much of a burden upon the buyer.</p> <p>If the buyer cannot handle loading the goods or export formalities, the EXW term should not be used. In such a case, FCA is recommended.</p> <p>The EXW term is often used when making an initial quotation for the sale of goods. It represents the cost of the goods without any other costs included.</p> <p>The EXW term is commonly used in courier shipments when the courier picks up the shipment from client's premises and loads courier's own truck.</p> <p>Payment terms for Ex Works transactions are generally cash in advance and open account.</p> <p>See Incoterms© 2010, World Trade Press Illustrated Guide to Incoterms© 2010 Appendix for details.</p>
<b>Ex Works (...named place of delivery) (EXW)</b>	<p>(obsolete-Incoterms 2000) An international trade term of sale in which, for the quoted price, the seller/exporter/manufacturer merely makes the goods available to the buyer at the seller's "named place" of business. This trade term places the greatest responsibility on the buyer and minimum obligations on the seller.</p> <p>The seller does not clear the goods for export and does not load the goods onto a truck or other transport vehicle at the named place of departure. The parties to the transaction, however, may stipulate that the seller be responsible for the costs and risks of loading the goods onto a transport vehicle. Such a stipulation must be made within the contract of sale.</p> <p>If the buyer cannot handle export formalities the Ex Works term should not be used. In such a case Free Carrier (FCA) is recommended.</p> <p>The Ex Works term is often used when making an initial quotation for the sale of goods. It represents the cost of the goods without any other costs included. See Ex Works, Incoterms 2010 below.</p>

<b>Term</b>	<b>Definition</b>
<b>exaction</b>	(law) A fee or contribution demanded or levied by a government entity or by an individual or group in a position of power. Examples of exactions can include illegal "tolls" on public roads by outlaw police and army units in Third World countries, to harbor maintenance fees and antidumping fees collected by government authorities in First World industrialized countries.
<b>exception</b>	(shipping/documentation) A notation on a shipping document (Bill of Lading or Delivery Receipt) qualifying the condition of the merchandise to indicate loss or damage.
<b>exception rate</b>	(logistics/shipping) A deviation or exception to the published class rate for a shipment of cargo. Exception rates are often applied to unusual cargo that is difficult to transport, extremely heavy and/or bulky or that requires special handling, such as live animals, human remains, or motor vehicles. See class or kind (of merchandise).
<b>excess valuation</b>	See declared value.
<b>exchange control(s)</b>	(foreign exchange) The rationing of foreign currencies, bank drafts, and other monetary instruments for settling international financial obligations by countries seeking to ameliorate acute balance of payments difficulties. When such measures are imposed, importers must apply for prior authorization from the government to obtain the foreign currency required to bring in designated amounts and types of goods. Since such measures have the effect of restricting imports, they are considered nontariff barriers to trade. See balance of trade.
<b>exchange rate</b>	(foreign exchange) The price of one currency expressed in terms of another, i.e., the number of units of one currency that may be exchanged for one unit of another currency. For example, \$/SFr = 1.50, means that one U.S. dollar costs 1.50 Swiss francs.  (a) In a system of free exchange rates, the actual exchange rate is determined by supply and demand on the foreign exchange market.  (b) In a system of fixed exchange rates, the exchange rate is tied to a reference (e.g., gold, US\$, etc.).  Influences on exchange rates include differences between interest rates and other asset yields between countries; investor expectations about future changes in a currency's value; investors' views on the overall quantity of assets in circulation; arbitrage; and central bank exchange rate support. See floating.
<b>excise tax</b>	A selective tax--sometimes called a consumption tax--on certain goods produced within or imported into a country. An example is a tax on the import of crude oil, or a tax on certain luxury goods.
<b>exclusions</b>	(insurance) Situations, conditions, or circumstances that are specified or implied in an insurance policy as being excluded from coverage. Exclusions can be a significant issue, especially when shipping perishable goods, high-value goods, goods into or through war zones, arms, and armaments, as well as goods that have been insufficiently or unsuitably packaged. The first thing insurers look at when the insured files a claim is the list of exclusions to see the limits of coverage in the policy. Review these thoroughly before signing the contract policy.
<b>exclusive agency</b>	See agency.
<b>exclusive economic zone (EEZ)</b>	(international law) EEZ refers to the rights of coastal states to control the living and nonliving resources of the sea for 200 miles off their coasts while allowing freedom of navigation to other states beyond 12 miles, as agreed at the sixth session of the Third UN Conference on the Law of the Sea (UNCLOS). The EEZ also gives the coastal states the responsibility for managing the conservation of all natural resources within the 200-mile limit.
<b>exclusive patronage agreements</b>	(logistics/shipping) An agreement whereby a company agrees to ship cargo exclusively with a particular carrier and in return receives a preferred rate.
<b>exclusive use</b>	(logistics) Vehicles assigned by a carrier to serve the exclusive needs of a particular shipper.

<b>Term</b>	<b>Definition</b>
<b>exculpatory clause</b>	(law) A contract clause by which a party is released from liability for wrongful acts committed by the other party. A seller may agree to release a buyer, for example, from liability for all or specified defects in the design, packaging, or manufacture of a product.
<b>execution</b>	(law) (a) A signature on a document. (b) A legal process for enforcing a judgment for damages, usually by seizure and sale of the debtor's personal property. If a court awards damages in a breach of contract action, for example, but the breaching party has failed to remit such sum, the party awarded damages may request the court to order seizure and sale of the breaching party's inventory or property to the extent necessary to satisfy the award.
<b>exempt carrier</b>	(U.S. logistics) A for-hire carrier that operates with an exemption from economic regulations.
<b>exercise price</b>	See strike price.
<b>exhibit</b>	(law) (a) A document or object given or produced as evidence, often in a court of law. (b) A document attached to a contract or proposal that serves as an addendum to or in evidence of statements made in the body of the contract or proposal.
<b>exhibition cover</b>	(insurance) An endorsement to a marine cargo insurance policy that extends coverage to include the time merchandise is on exhibit, as at a trade show, and the return shipment (unless the merchandise is sold). An exhibition cover is required because a marine policy normally only covers merchandise while in due course of transit. Note also that a marine policy can have such an endorsement (to cover merchandise while ashore), whereas a war policy will not cover merchandise while ashore.
<b>EXIM Bank</b>	See Export-Import Bank of the United States.
<b>expiration date</b>	(banking) In letter of credit transaction, the final date the seller (beneficiary of the credit) may present documents and draw a draft under the terms of the letter of credit. Also called expiry date. See letter of credit.
<b>expiry day</b>	(banking/foreign exchange) In foreign exchange options business, the last day on which an option can be exercised.
<b>explosives</b>	(shipping) (UN CLASS 1.) EXPLOSIVE A: Items are capable of exploding with a small spark, shock, or flame and spreading the explosion hazard to other packages. EXPLOSIVE B: Items are very rapidly combustible. EXPLOSIVE C: Items are a low hazard but may explode under high heat when many are tightly packed together. Examples: A--dynamite; B--propellants or flares; C--common fireworks. Hazards/precautions: no flares, smoking, flames, or sparks in the hazard area; may explode if dropped, heated or sparked.
<b>export</b>	To ship an item away from a country for sale to another country.
<b>Export Administration Act (EAA)</b>	(U.S. law) Authorizes the president to control exports of U.S. goods and technology to all foreign destinations, as necessary for the purpose of national security, foreign policy, and short supply.  As the basic export administration statute, the EAA is the first big revision of export control law since enactment of the Export Control Act of 1949. The EAA is not permanent legislation; it must be reauthorized--usually every three years. There have been reauthorizations of the EAA in 1982, 1985 (the Export Administration Amendments Act), and 1988 (Omnibus Amendments of 1988) which have changed provisions of the basic Act. The Export Administration Act of 1990 was pocket vetoed by the president, charging that provisions involved micromanagement.
<b>Export Administration Regulations (EAR)</b>	(U.S. law) Provides specific instructions on the use and types of export licenses required and the types of commodities and technical data under export control. The text of the regulations, as well as other government documents pertaining to the regulations, are available from the U.S. Government Printing Office's Web site at <a href="http://www.access.gpo.gov/bis">www.access.gpo.gov/bis</a> .
<b>Export Administration Review Board (EARB)</b>	(U.S. government) A U.S. cabinet-level export licensing dispute resolution group. The EARB was originally established in June 1970 under Executive Order 11533. Under Executive Order 12755 of March 1991, EARB membership includes the Departments of Commerce (as chair), State, Defense, and Energy, the Arms Control and Disarmament Agency and, as nonvoting members, the Joint Chiefs of Staff and the Central Intelligence Agency. The EARB is the final review body to resolve differences among agency views on the granting of an export license. Preceding EARB review are: (1) Operating Committees, and (2) the Advisory

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	Committee on Export Policy. National Security Directive #53 requires escalation of disputes regarding an export license to the Advisory Committee on Export Policy (ACEP) not later than 100 days from the filing date of the applicant's application. Any cases not resolved at the ACEP level must be escalated to the EARB within 35 days of the date of the ACEP meeting. Cases not resolved by the EARB must be escalated to the president for resolution. Contact: Export Administration Review Board; 14th and Constitution Avenue NW; Herbert Hoover Building, Room 2639; Washington, DC 20230 USA; Tel: [1] (202) 482-5863.
<b>export broker</b>	An individual or firm that brings together buyers and sellers for a fee but does not take part in actual sales transactions.
<b>export commodity classification number</b>	See export control classification number.
<b>export control</b>	(U.S. Customs) To exercise control over exports for statistical and strategic purposes, Customs enforces export control laws for the U.S. Department of Commerce and other federal agencies. See United States Customs Service.
<b>Export Control Automated Support System (ECASS)</b>	(U.S.) ECASS was implemented by the U.S. Department of Commerce in 1985 to automate a paper-based system. The system currently provides:  1) electronic submission of export application forms directly by exporters; 2) optical character recognition of applications submitted on paper; 3) paperless workstations for all licensing officers to review the application, route it to other officers, branches, or external agencies, and to enter their final action along with riders and conditions; 4) automated audit of all export licenses issued; and 5) real-time management reporting on Licensing Officer workloads, average processing times, counts and times by license type, destination country, commodity code, and other data. The U.S. Department of Commerce's Bureau of Industry and Security (formerly the Bureau of Export Administration) is expanding ECASS to include export enforcement activities. See United States Department of Commerce; Bureau of Industry and Security.
<b>export control classification number (ECCN)</b>	(U.S.) Every product has an export control classification number (formerly export commodity classification number) within the Commerce Control List. The ECCN consists of a five-character number that identifies categories, product groups, strategic level of control, and country groups. See Commerce Control List.
<b>export credit agencies (ECAs)</b>	Government agencies or programs providing government loans, guarantees or insurance to finance exports. In the U.S., the Export/Import Bank is the government's general purpose credit agency, while the Commodity Credit Corporation is the export credit agency for agricultural exports. See Export-Import Bank of the United States; Commodity Credit Corporation.
<b>Export Credit Enhanced Leverage Program (EXCEL)</b>	The EXCEL program was developed in 1990 by the World Bank in conjunction with a working group of the International Union of Credit and Investment Insurers (the Berne Union). The objective of EXCEL is to provide export credits at consensus rates for private sector borrowers in highly indebted countries, which would previously have been too great a risk for most agencies to cover.
<b>export credit insurance</b>	(insurance) Special insurance coverage for exporters to protect against commercial and political risks of making an international sale. Export credit insurance is available from insurance underwriters as well as from government agencies. See export credit agencies.
<b>export declaration</b>	(trade documentation) A document required of the exporter by the export authority of a country identifying the particulars of a specific export shipment, including the seller, buyer, goods shipped, quantities and description of the goods and other details.  (U.S. trade documentation) A document required by the U.S. Department of Treasury for the export of goods from the United States. Also known as the Shipper's Export Declaration (SED), this form includes complete particulars on an individual export shipment and is required by the U.S. Department of Commerce to control exports and act as a source document for export statistics. See shipper's export declaration.

<b>Term</b>	<b>Definition</b>
<b>Export Development Canada (EDC)</b>	(Canada) Canada's official export credit agency, responsible for providing export credit insurance, loans, guarantees, and other financial services to promote Canadian export trade. Contact: Export Development Corporation; 151 O'Connor Street; Ottawa, ON K1A 1K3, Canada; Tel: (Toll-Free) [1] (800) 267-8510; [1] (613) 598-2500; Fax: [1] (613) 237-2690; Web: www.edc.ca.
<b>Export Development Office (EDO)</b>	(U.S. government) Export Development Offices (EDOs) in seven cities (Tokyo, Sydney, Seoul, Milan, London, Mexico City, and São Paulo) provide services to U.S. exporters, including market research to identify specific marketing opportunities and products with the greatest sales potential; and to organize export promotion events. EDOs are staffed by U.S. and Foreign Commercial Service officers. When not in use for trade exhibitions, EDOs with exhibit and conference facilities are made available to individual firms or associations. See U.S. and Foreign Commercial Service.
<b>export draft</b>	(banking) An unconditional order that is drawn by an exporting seller and that directs an importing buyer to pay the amount stated on the order to the seller or the seller's bank.  (a) A sight export draft is one that is payable when presented. (b) A time export draft or usance is one that is payable at a specified future date. See bill of exchange.
<b>export duty</b>	(customs) A tax imposed on exports of some nations. See duty; tariff.
<b>Export Legal Assistance Network (ELAN)</b>	(U.S.) A nationwide group of attorneys with experience in international trade who provide free initial consultations to small businesses on export-related matters. This service is available through the U.S. Small Business Administration (SBA). For the address and phone number of your nearest Small Business Administration District Office, call [1] (800) U-ASK-SBA. Contact: National Coordinator Judd Kessler, Porter, Wright, Morris, & Arthur; 1919 Pennsylvania Avenue, NW, Suite 500; Washington, DC 20006-3434 USA; Tel: [1] (202) 778-3080; Web: www.exportlegal.org.
<b>export license</b>	A document prepared by a government authority, granting the right to export a specified quantity of a commodity to a specified country. This document may be required in some countries for most or all exports and in other countries only under special circumstances.  (U.S.) A document issued by the U.S. government authorizing the export of commodities for which written export authorization is required by law. For more information on export licensing in general, call Exporter Assistance at [1] (202) 482-4811. Contact: Bureau of Industry and Security (formerly the Bureau of Export Administration), U.S. Department of Commerce, 1401 Constitution Ave. NW, Washington, DC 20230 USA; Tel: [1] (202) 482-4811; Fax: [1] (202) 482-3617; Web: www.bis.doc.gov.
<b>Export License Application and Information Network (ELAIN)</b>	(U.S.) ELAIN is a Bureau of Industry and Security (formerly the Bureau of Export Administration) 24-hour on-line service which allows exporters to submit license applications. Contact: Bureau of Industry and Security, 1401 Constitution Ave. NW, Washington, DC 20230; Tel: [1] (202) 482-4811; Web: www.bis.doc.gov.
<b>export management company</b>	A private firm that serves as the export department for several manufacturers, soliciting and transacting export business on behalf of its clients in return for a commission, salary, or retainer plus commission.
<b>export merchant</b>	A company that buys products directly from manufacturers, then packages and marks the merchandise for resale under its own name.
<b>export processing zone (EPZ)</b>	Industrial parks designated by a government to provide tax and other incentives to export firms.
<b>export quotas</b>	Specific restrictions or ceilings imposed by an exporting country on the value or volume of certain exports, designed to protect domestic producers and consumers from temporary shortages of the materials or goods affected, or to bolster their prices in world markets. Some International Commodity Agreements explicitly indicate when producers should apply such restraints. Export quotas are also often applied in orderly marketing agreements and voluntary restraint agreements, and to promote

Term	Definition
	domestic processing of raw materials in countries that produce them. See international commodity agreement; orderly marketing agreements; voluntary restraint agreements.
<b>export restraint agreements</b>	See voluntary restraint agreements.
<b>export restraints</b>	Quantitative restrictions imposed by exporting countries to limit exports to specified foreign markets, usually pursuant to a formal or informal agreement concluded at the request of the importing countries. See voluntary restraint agreements.
<b>export revolving line of credit (ERLC)</b>	<p>(U.S.) Financial assistance provided by the U.S. Small Business Administration (SBA) to exporters of U.S. products. The ERLC guarantees loans to U.S. firms to help bridge the working capital gap between the time inventory and production costs are disbursed until payment is received from a foreign buyer. SBA guarantees 85 percent of the ERLC subject to a \$750,000 guarantee limit. The ERLC is granted on the likelihood of a company satisfactorily completing its export transaction. The guarantee covers default by the exporter, but does not cover default by a foreign buyer; failure on the buyer's side is expected to be covered by letters of credit or export credit insurance.</p> <p>Under the SBA's ERLC program, any number of withdrawals and repayments can be made as long as the dollar limit on the line of credit is not exceeded and disbursements are made within the stated maturity period (not more than 18 months). Proceeds can be used only to finance labor and materials needed for manufacturing, to purchase inventory to meet an export order, and to penetrate or develop foreign markets. Examples of eligible expenses for developing foreign markets include professional export marketing advice or services, foreign business travel, and trade show participation. Under the ERLC program, funds may not be used to purchase fixed assets. Contact: SBA Answer Desk; Tel: [1] (800) 827-5722; Web: www.sba.gov. See letter of credit.</p>
<b>export service</b>	(shipping) Shipping lines, airlines and freight forwarders perform, at the request of shippers, many services relating to the transfer, storage, and documentation of freight destined for export. The same is true of imports. Some carriers have a tariff on such traffic, which sets forth a rate covering the air transportation from airport of origin to seaport and all relevant transfer and documentation procedures. On freight arriving in the United States, via an ocean vessel and having a subsequent movement by air, some airlines have a similar tariff program known as "Import Service."
<b>export statistics</b>	(U.S.) Export statistics measure the total physical quantity or value of merchandise (except for shipments to U.S. military forces overseas) moving out of the United States to foreign countries, whether such merchandise is exported from within the U.S. Customs territory or from a U.S. Customs bonded warehouse or a U.S. Foreign Trade Zone.
<b>export subsidies</b>	<p>Government payments, economic inducements or other financially quantifiable benefits provided to domestic producers or exporters contingent on the export of their goods or services.</p> <p>(WTO) The World Trade Organization (WTO) recognizes that subsidies in general, and especially export subsidies, distort normal commercial activities and hinder the achievement of WTO objectives. An Agreement on Subsidies and Countervailing Measures rules on export subsidies and provides for an outright prohibition of export subsidies by developed countries for manufactured and semi-manufactured products. Under certain conditions, the Agreement allows developing countries to use export subsidies on manufactured and semi-manufactured products, and on primary products as well, provided that the subsidies do not result in more than an equitable share of world exports of the product for the country. See subsidy.</p>
<b>export trading company</b>	<p>A corporation or other business unit organized and operated principally for the purpose of exporting goods and services, or of providing export related services to other companies. An ETC can be owned by foreigners and can import, barter, and arrange sales between third countries, as well as export.</p> <p>(U.S.) The Export Trading Company Act of 1982 exempts authorized trading companies from certain provisions of U.S. antitrust laws. See Export Trading Company Act.</p>

<b>Term</b>	<b>Definition</b>
<b>Export Trading Company Act</b>	(U.S. law) The Export Trading Company Act of 1982 initiates the Export Trade Certificate of Review program that provides antitrust preclearance for export activities; permits bankers' banks and bank holding companies to invest in Export Trading Companies; and establishes a Contact Facilitation Service within the U.S. Department of Commerce designed to facilitate contact between firms that produce exportable goods and services and firms that provide export trade services.
<b>Export-Import Bank of the United States (Eximbank)</b>	<p>(U.S.) A public corporation created by executive order of the president in 1934 and given a statutory basis in 1945. The Bank makes guarantees and insures loans to help finance U.S. exports, particularly for equipment to be used in capital improvement projects. The Bank also provides short-term insurance for both commercial and political risks, either directly or in cooperation with U.S. commercial banks.</p> <p>Eximbank offers four major export finance support programs: loans, guarantees, working capital guarantees, and insurance. Eximbank undertakes some of the risk associated with financing the production and sale of U.S.-made goods; provides financing to overseas customers for U.S. goods when lenders are not prepared to finance the transactions; and enhances a U.S. exporter's ability to match foreign government subsidies by helping lenders meet lower rates, or by giving financing incentives directly to foreign buyers. The Export-Import Bank will consider aiding in the export financing of U.S. goods and services when there is a reasonable assurance of repayment. Eximbank is not to compete with private financing, but to supplement it when adequate funds are not available in the private sector. Contact: Export-Import Bank of the United States; 811 Vermont Avenue NW; Washington, DC 20571 USA; Tel: (Toll-Free) [1] (800) 565-3946; [1] (202) 565-3946; Web: www.exim.gov.</p>
<b>exporter</b>	An individual or company that transports goods or merchandise from one country to another in the course of trade.
<b>exporter identification number (EIN)</b>	(U.S.) An identification number required on the Shipper's Export Declaration for all export shipments. U.S. corporations may use their federal Employer Identification Number issued by the IRS. Individuals and companies that are not incorporated may use the Social Security number of the exporter. See shipper's export declaration.
<b>exporters sales price (ESP)</b>	(U.S.) A statutory term used to refer to the United States sales prices of merchandise which is sold or likely to be sold in the United States, before or after the time of importation, by or for the account of the exporter. Certain statutory adjustments are made to permit a meaningful comparison with the foreign market value of such or similar merchandise, e.g., import duties, United States selling and administrative expenses, and freight are deducted from the United States price.
<b>express agency</b>	See agency.
<b>express bill of lading</b>	(shipping/logistics) A non-negotiable bill of lading used when cargo is to be delivered immediately upon arrival at destination. Express bills of lading are only used when there is no bank negotiation for payment involved. See bill of lading.
<b>express language</b>	(insurance) Insurance policy clauses that are clearly stated and written into the insurance contract. See implied conditions.
<b>express warranty</b>	<p>(insurance) Insurance policy clauses that clearly state the terms and conditions of coverage.</p> <p>(general) A written or oral guarantee from the seller of a product concerning the quality or performance of a product, as well as the terms and conditions under which the product can be returned, replaced, or repaired.</p>
<b>expropriation</b>	(economics/law) The forcible acquisition, usually for compensation, of private property by a sovereign government. For example, a national government might expropriate real estate from private owners in order to construct a highway or government building. See nationalization.
<b>external value</b>	(economics/foreign exchange) The purchasing power of a currency abroad.
<b>extradition</b>	The surrender by one country of an alleged criminal to the authorities of the country that has jurisdiction to try the charge. Extradition usually occurs under the provisions of a treaty between the two countries.
<b>facilitation</b>	Any of a number of programs designed to expedite the flow of international commerce through modernizing and simplifying customs procedures, duty collection, and other procedures to which international cargo and passengers are subject. Examples

<b>Term</b>	<b>Definition</b>
	of progress in facilitation include the elimination of certain export declaration requirements, more expeditious release of cargo from customs, and clearance of cargo at point of origin.
<b>facsimile (fax)</b>	(a) An office machine used to transmit a copy of a document (including graphic images) via telephone lines. (b) The physical paper output of a fax machine which is a copy of the document transmitted. Facsimile use has grown significantly in the past few years. Note that in some countries some facsimile documents are not considered legal documents.
<b>factor</b>	(a) An agent who receives merchandise under a consignment or bailment contract, who sells it for the principal or in the factor's own name, and who is paid a commission for each sale. (b) A firm, such as a finance company, that purchases another company's receivables at a discount and processes and collects the remaining account balances.
<b>factor's lien</b>	The right of a factor to retain the principal's merchandise until the factor receives full compensation from the principal.
<b>factorage</b>	The commission or other compensation paid to a factor.
<b>factoring</b>	The discounting of an account receivable in order to receive immediate payment. In international trade factoring is the discounting of a foreign account receivable that does not involve a draft. The exporter transfers title to its foreign accounts receivable to a factoring house (an organization that specializes in the financing of accounts receivable) for cash at a discount from the face value. Factoring is often done without recourse to the exporter. Factoring of foreign accounts receivable is less common than with domestic receivables.
<b>factoring houses</b>	Certain companies which purchase domestic or foreign accounts receivables (e.g., the as yet unpaid invoices to domestic and foreign buyers) at a discounted price, usually about 2 to 4 percent less than their face value. See factor; factoring.
<b>Fair Labor Association (FLA)</b>	(labor standards) The FLA's stated mission is to "combine the efforts of industry, civil society organizations, and colleges and universities to protect workers' rights and improve working conditions worldwide by promoting adherence to international labor standards. The FLA conducts independent monitoring and verification to ensure that the FLA's Workplace Standards are upheld where FLA company products are produced. Through public reporting, the FLA provides consumers and shareholders with credible information to make responsible buying decisions." Contact: Fair Labor Association (HQ); 1707 L St. NW, Suite 200; Washington, DC 20036 USA; Tel: [1] (202) 898-1000; Fax: [1] (866) 649-0624; Web: www.fairlabor.org. Fair Labor Association Europe; 27 Chemin des Crets-de-Pregny; CH-1218 Grand-Saconnex; Geneva, Switzerland; Tel: [41] 22-747-0088; Fax: [41] 22-747-0099.
<b>fair trade</b>	The social, economic and political theory that individuals and societies in producer nations should 1) gain a greater share of the final market value of the raw materials and products they produce, 2) enjoy better working conditions and 3) benefit from better environmental polices. Fair trade advocates seek to establish a more direct link between producers and consumers. For information go to: <a href="http://www.transfairusa.org">www.transfairusa.org</a> .
<b>fair value</b>	(U.S. Customs) The reference against which U.S. purchase prices of imported merchandise are compared during an antidumping investigation. Generally expressed as the weighted average of the exporter's domestic market prices, or prices of exports to third countries during the period of investigation.  In some cases fair value is the constructed value. Constructed value is used if there are no, or virtually no, home market or third country sales, or if the number of such sales made at prices below the cost of production is so great that remaining sales above the cost of production provide an inadequate basis for comparison. See dumping; constructed value.
<b>FAK</b>	(shipping) Freight all kinds. Usually refers to consolidated cargo.
<b>family corporation</b>	See closely held corporation.
<b>FAS</b>	See Free Alongside Ship; Incoterms.
<b>FAST</b>	(United States/Canada/Mexico) Acronym for Free And Secure Trade. The first completely paperless cargo release mechanism put into place by U.S. Customs and Border Protection. This paperless processing is achieved through electronic data

Term	Definition
	transmissions and transponder technology. FAST is highly automated and allows for the expedited release of highly compliant cargo from major importers, reducing congestion at U.S. land borders with Canada and Mexico. For more information refer to FAST in the Security section of this dictionary or contact U.S. Customs and Border Protection at: <a href="http://www.cbp.gov">www.cbp.gov</a> .
<b>fast track</b>	(U.S.) Fast track procedures for approval of trade agreements were included by the U.S. Congress in trade legislation in 1974, in 1979, and again in the 1988 Trade Act. Fast track provides two guarantees essential to the successful negotiation of trade agreements: 1) a vote on implementing legislation within a fixed period of time, and 2) a vote, yes or no, with no amendments to that legislation.  Provisions in the Omnibus Trade and Competitiveness Act of 1988 include that the foreign country request negotiation of a Free Trade Agreement (FTA) and that the president give the Congress a 60-legislative-day notice of intent to negotiate an FTA. During the 60-legislative-day period, either committee can disapprove fast track authority by a majority vote. Disapproval would likely end the possibility of FTA negotiations. The 60-legislative-days can translate into five to ten months of calendar time, depending on the congressional schedule. Formal negotiations would begin following this 60-day congressional consideration period.
<b>fathom</b>	(measurement) A unit of length equal to six feet. Used primarily to measure the depth of water.
<b>fax</b>	See facsimile.
<b>Federal Aviation Administration (FAA)</b>	(U.S.) Created under the Federal Aviation Act of 1958 as the Federal Aviation Agency and charged with the responsibility of promulgating operational standards and procedures for all classes of aviation in the United States. With the creation of the cabinet level Department of Transportation in 1966, FAA became a unit within the new Department and received the new designation Federal Aviation Administration. The FAA Administrator, however, continues to be a presidential appointee and the FAA remains a separate entity with most of its former functions. In the field of air cargo FAA promulgates certain stress standards which must be met in the tiedown of cargo in flight. For information: Federal Aviation Administration; 800 Independence Avenue, SW; Washington, DC 20591 USA; Tel: [1] (202) 267-3883; Toll-free: [1] (866) 835-5322; Web: <a href="http://www.faa.gov">www.faa.gov</a> .
<b>Federal Maritime Commission (FMC)</b>	(U.S.) The U.S. federal agency responsible for overseeing rates and practices of ocean carriers who handle cargo to or from U.S. ports. Contact: Federal Maritime Commission; 800 North Capitol St. NW; Washington, DC 20573-0001 USA; Web: <a href="http://www.fmc.gov">www.fmc.gov</a> .
<b>Federal Reserve System</b>	(U.S. banking) The central banking system of the U.S. It has twelve Federal Reserve Banks divided up by geographical regions. The Board of Governors supervises the operations of the regional banks and coordinates monetary policy through its Federal Open Market Committee.
<b>Federal Trade Commission (FTC)</b>	(U.S.) Plays a key role in ensuring that consumers are protected against unfair methods of competition in the marketplace. Contact: Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington, DC 20580 USA; Tel: [1] (202) 326-2222; Web: <a href="http://www.ftc.gov">www.ftc.gov</a> .
<b>federally chartered bank</b>	(U.S. banking) In the United States, a bank that has been chartered by the comptroller of currency, that belongs to the Federal Reserve System and meets the requirements for a national bank as defined under the National Bank Act. In the U.S. only federally and state chartered banks and other authorized institutions may receive deposits.
<b>feeder vessel</b>	(shipping) A vessel used to connect with a line vessel to service a port which is not served directly by the line vessel. See line haul vessel.
<b>FEU</b>	(shipping) Forty foot equivalent units. Two 20 ft. containers equal one FEU.
<b>fiat</b>	A legally binding command or decision, generally issued by a government.

<b>Term</b>	<b>Definition</b>
<b>fiat money / fiat currency</b>	Coinage or currency that is accepted as a medium of exchange by virtue of government decree (fiat). Fiat money is not backed by a commodity such as gold or silver and only retains value so long as holders of the currency feel that they can find an exchange partner for it at some later time.
<b>field warehouse</b>	(logistics/finance) A warehouse operated by a third-party warehouse firm, but located on the property or premises of the owner of the goods. Field warehouses are used in special financing agreements where inventory pledged as collateral is physically separated from a company's other inventories and placed under the custody, control and supervision of a third-party warehouse firm.
<b>fieri facias writ</b>	(law) A judicial order issued to "cause to be done," which generally orders an officer of law or another authorized person to satisfy a judgment by seizure and sale of a debtor's property. See execution.
<b>fill rate</b>	(logistics) The percentage of order items that are picked and readied for shipment in a specified amount of time.
<b>final determination</b>	(U.S.) In antidumping investigations a final determination is made after the investigation of sales at "less than fair value" and the receipt of comments from interested parties. This determination usually is made within 75 days after the date a preliminary determination is made. However, if the preliminary determination was affirmative, the exporters who account for a significant proportion of the merchandise under consideration may request, in writing, a postponement of this determination. If the preliminary determination was negative, the petitioner may likewise request a postponement. In neither case can this postponement be more than 135 days after the date of the preliminary determination. If the final determination is affirmative and follows a negative preliminary determination, the matter is referred to the International Trade Commission (ITC) for a determination of the injury caused or threatened by the sales at less than fair value. (Had the preliminary determination been affirmative, the ITC would have begun its investigation at that time.) Not later than 45 days after the date the International Trade Administration makes an affirmative final determination, in a case where the preliminary determination also was affirmative, the International Trade Commission must render its decision on injury. Where the preliminary determination was negative, the ITC must render a decision not later than 75 days after the affirmative final determination. A negative final determination by the Assistant Secretary for Import Administration terminates an antidumping investigation. See dumping; International Trade Commission.
<b>financial instrument</b>	(banking/finance) A document which has monetary value, or is evidence of a financial transaction. Examples of financial instruments are: checks, bonds, stock certificates, bills of exchange, promissory notes and bills of lading.
<b>financial market</b>	(banking/finance) Market for the exchange of capital and credit in an economy. It is divided into money markets, and capital market(s).
<b>Financial Times (of London)</b>	(publication) Considered by professionals as one of the best English-language newspapers for business and financial news. Web: <a href="http://www.ft.com">www.ft.com</a> .
<b>Fines, Penalties, and Forfeitures System (FPFS)</b>	(U.S. Customs) A part of the U.S. Customs' Automated Commercial System, is used to assess, control, and process penalties resulting from violations of law or Customs regulations. FPFS provides retrieval of case information for monitoring case status. See Automated Commercial System.
<b>finished goods inventory (FGI)</b>	(logistics) Inventory of products that have been manufactured, packed and stored and are ready for distribution.
<b>fire insurance</b>	(insurance) Marine insurance coverage that includes both direct fire damage and also consequential damage, as by smoke or steam, and loss resulting from efforts to extinguish a fire. Includes explosion caused by fire.
<b>firm planned order</b>	(logistics) In distribution requirements planning (DRP) or manufacturing resources planning (MRP) systems, an order whose status has been fixed in the computer system with regard to quantity and time. This is an issue in DRP and MRP systems as the software program, under certain circumstances, has the ability to change a planned order's status with regard to quantities and time. Firm planned orders are an aid in establishing a master production schedule. See planned order.

<b>Term</b>	<b>Definition</b>
<b>FIRST</b>	(Canada) Frequent Importers Release System. A system operated by the Canada Border Security Agency (CBSA) that allowed pre-authorized quick release of repetitive low-risk shipments for frequent importers.  Effective December 2006, the Canada Border Services Agency (CBSA) stopped accepting applications for FIRST. The FIRST service option was phased out and no longer available to clients as of January 1, 2008. Web: : <a href="http://www.cbsa-asfc.gc.ca/import/notice-avis-imp-eng.html">www.cbsa-asfc.gc.ca/import/notice-avis-imp-eng.html</a> .
<b>first in, first out (FIFO)</b>	(a) An inventory management methodology whereby the oldest inventory (presumably the first in) is the first to be used, consumed, delivered or sold (first out). (b) A job production management methodology whereby the first job recorded (first in) is the first job to be completed (first out). (c) An inventory valuation methodology that assumes that the oldest inventory of a particular item (first in) is the first to be sold (first out).
<b>first party logistics</b>	See 1PL.
<b>First Sale Declaration Requirement</b>	(US Customs) A US Customs and Border Protection (CBP) requirement that importers state on CBP Form 7501 whether the declared value of the import shipment was based on the price paid by the buyer in a sale occurring earlier than the last sale prior to the introduction of the merchandise into the United States. CBP is said to be seeking to eliminate the first sale value in favor of the last sale value. This requirement was established in the Farm Bill of 2008. For more information go to: <a href="http://www.cbp.gov">www.cbp.gov</a> .
<b>First World Countries</b>	(economics) Western, industrialized, noncommunist countries.
<b>five dragons</b>	See five tigers; five dragons.
<b>five tigers; five dragons</b>	Terms used to describe the emerging economies of Hong Kong, Singapore, South Korea, Taiwan and Thailand.
<b>fix</b>	(contracts/shipping) To establish all the terms for the chartering of a ship for a voyage or period of service.
<b>fixed charges</b>	(general) Charges which do not vary with an increase in production or sales volume.  (shipping) Charges which do not vary with an increase or decrease in traffic.
<b>fixed exchange</b>	(foreign exchange) An administratively fixed exchange rate. With rate fixed exchange rates, no rate fluctuations are possible.
<b>fixed exchange rate</b>	See exchange rate; fixed exchange.
<b>fixed price</b>	A pricing model where the client pays a set price for the completion of a project (product or service), regardless of how long it takes to complete. The advantage to the client is that the costs are predictable. The advantage to the vendor is the possibility of completing the project in less time than originally estimated. The disadvantage to the client is that the market price for such work might decrease over time and the client will be saddled with the relatively higher costs for the term of a contract. The disadvantage to the vendor is that true costs may escalate over time to the point that there is not enough revenue to cover costs.  This model is best when the specifications and scope of the project are clear to both parties. This model provides maximum incentive to the vendor to control costs and perform the services as effectively as possible.
<b>fixed quantity inventory model</b>	(logistics) An inventory control, maintenance and reorder system that specifies that a fixed quantity of a product be reordered whenever inventory of that item falls below a preestablished minimum.
<b>fixing</b>	(foreign exchange) Establishing of the official exchange rate of a domestic currency against other negotiable currencies.
<b>fixture</b>	(contracts/shipping) A specific contract of voyage between a shipowner and a charterer.
<b>flag</b>	(shipping) A reference to the country of registry of a vessel. A vessel flying the flag of the country of its registry.
<b>flag of convenience</b>	(shipping) The national flag flown by a ship that is registered in a country other than that of its owners (e.g., to escape taxes and high domestic wages).

<b>Term</b>	<b>Definition</b>
<b>flag state</b>	(shipping) The country of registry of a sea-going vessel. A vessel is subject to the maritime regulations of its country (state) of registry, including safety standards, manning scales and consular representation.
<b>flammable</b>	(shipping) Any substance capable of catching fire. See flammable liquid; flammable solid.
<b>flammable liquid</b>	(shipping) Liquids with a flash point less than 100°F. (UN CLASS 3) Examples are ether, acetone, gasoline, toluene and pentane. Hazards/precautions are no flares, smoking, flames, or sparks in the hazard area; vapors are an explosion hazard; can be poisonous; check labels; if it is poisonous, it can cause death when inhaled, swallowed or touched.
<b>flammable solid</b>	(shipping) Any solid material which, under certain conditions, might cause fires or which can be ignited readily and burns vigorously. (UN CLASS 4) Examples are calcium resinate; potassium, sodium amide. Hazards/precautions are may ignite when exposed to air or moisture, may reignite after extinguishing; fires may produce irritation or poisonous gases; contact may cause burns to skin or eyes.
<b>flat</b>	(shipping) An ocean shipping "container" with end walls but without side walls. Used especially for heavy loads with overwidth and over height cargo. These containers are characterized by very strong bottom bracing, fixed endwalls, and numerous lashing points. Flats are used especially for shipping machinery. If the cargo fits with the gross dimensions of the container, the container can be stacked. If the cargo is over height the container will need to be the top container in the stack. A platform container is similar, but does not have end walls. See also platform container.
<b>flat bed trailer</b>	See platform (flat bed) trailer.
<b>flatcar</b>	(rail transportation) A non-enclosed, platform-type railroad freight car. Flatcars are designed to transport oversize goods and cargo that must be loaded from the side or top. Common commodities carried in flatcars include ocean freight containers, intermodal truck trailers, machinery, farm equipment, heavy construction equipment, lumber, plywood, steel, steel products, spooled wire, pipe, and rebar. Flatcars will accommodate virtually any commodity that is not subject to damage from the elements.
<b>flexible-path equipment</b>	(logistics) Non automated materials handling equipment used to move goods around a warehouse (e.g., pallet jacks, forklifts and hand trucks).
<b>flight number</b>	(air transport) A five- to six-digit alpha-numeric code referencing a particular air carrier and flight. The code consists of two letters designating an airline, and three or four digits designating a particular voyage.
<b>flight of capital</b>	(banking/finance) The movement of capital, which has usually been converted into a liquid asset, from one place to another to avoid loss or to increase gain.
<b>floating</b>	(foreign exchange) (a) Clean floating: Free determination of exchange rates without intervention on the part of the central bank. Correspondingly, exchange rates are determined by supply and demand on the foreign exchange market. (b) Dirty floating: Monetary policy which in principle recognizes floating exchange rates, but which tries to influence the exchange rate level through more or less frequent interventions. See floating currency.
<b>floating currency</b>	(banking/foreign exchange) One whose value in terms of foreign currency is not kept stable (on the basis of the par value or a fixed relationship to some other currency) but instead is allowed, without a multiplicity of exchange rates, to be determined (entirely or to some degree) by market forces. Even where a currency is floating, the authorities may influence its movements by official intervention; if such intervention is absent or minor, the expression "clean float" is sometimes used. See floating.
<b>floor</b>	(banking/finance) With cash investments, where the rate of interest is subject to adjustment to the market rate, a so-called floor can be agreed upon, i.e., for a premium, a minimum interest rate is stipulated and remains valid even if the market interest rate is lower.
<b>floor load</b>	(shipping containers) The weight carried by a shipping container expressed in pounds per square foot (lbs/f <sup>2</sup> ), tons per square foot (t/f <sup>2</sup> ), or kilograms per square meter (k/m <sup>2</sup> ). It is important to evenly distribute loads throughout a container and not to exceed the maximum floor load of a given container.

<b>Term</b>	<b>Definition</b>
<b>florin</b>	The currency of Aruba. ? 1=100 cents.
<b>flotsam</b>	(shipping) Floating debris or wreckage of a ship or a ship's cargo. See jetsam.
<b>flow rack</b>	(logistics) A point-of-use storage and picking system where parts or products are loaded at one end of a gravity flow rack and picked for use or distribution from the other.
<b>FOB</b>	(trade term) See Free On Board, Guide to Incoterms 2010 Appendix.
<b>FOB Airport</b>	(trade term) An incorrect use of the trade term Free On Board. See Free on Board, Guide to Incoterms 2010 Appendix.
<b>FOB Destination, Freight Collect</b>	(trade term) An incorrect use of the trade term Free On Board. See Free on Board, Guide to Incoterms 2010 Appendix.
<b>FOB Destination, Freight Prepaid</b>	(trade term) An incorrect use of the trade term Free On Board. See Free on Board, Guide to Incoterms 2010 Appendix.
<b>FOB Origin, Freight Collect</b>	(trade term) An incorrect use of the trade term Free On Board. See Free on Board, Guide to Incoterms 2010 Appendix.
<b>FOB Origin, Freight Prepaid and Charged</b>	(trade term) An incorrect use of the trade term Free On Board. See Free on Board, Guide to Incoterms 2010 Appendix.
<b>FOB/FAS endorsement</b>	(insurance) Contingency insurance addendum to an open cargo insurance policy that provides automatic coverage to an exporter/seller on shipments until the importer/buyer's insurance policy attaches. For example, if an exporter sells on FOB, FAS, CFR terms it is the buyer's responsibility to obtain marine insurance coverage. However, if the buyer purchases marine insurance that does not have a Warehouse-to-Warehouse Clause, or Marine Extension Clause, the coverage may not attach until the cargo is placed aboard the vessel. The FOB endorsement covers the exporter/seller until the importer/buyer's insurance takes over.
<b>Food and Agriculture Organization (FAO)</b>	A specialized agency of the United Nations established in 1945 to combat hunger and malnutrition. The FAO serves as a coordinating body between government representatives, scientific groups, and non-governmental organizations to carry out development programs relating to food and agriculture. Contact: Food and Agriculture Organization; Viale delle Terme di Caracalla; 00153 Rome, Italy; Tel: [39] 06 57051; Web: www.fao.org.
<b>Food and Drug Administration (FDA)</b>	U.S. governmental agency which enforces the Federal Food Drug and Cosmetic Act, the Fair Packaging and Labeling Act, and sections of the Public Health Service Act. Contact: Food and Drug Administration, 10903 New Hampshire Ave., Silver Spring, MD 20993; Tel: [1] (888) INFO-FDA (463-6332); Web: www.fda.gov.
<b>FOR</b>	(trade term) Acronym for "free on rail" used in connection with transportation by rail, indicating that the price covers the goods loaded on the railcar. See Free On Board; Guide to Incoterms 2010 Appendix.
<b>force majeure</b>	(shipping) Any condition or set of circumstances, such as earthquakes, floods, or war, beyond the carrier's control that prevents the carrier from performing fulfillment of their obligations.
<b>force majeure clause</b>	(law/insurance/shipping) A contract clause, which usually excuses a party who breaches the contract because that party's performance is prevented by the occurrence of an event that is beyond the party's reasonable control. A force majeure clause may excuse performance on the occurrence of such events as natural disasters, labor strikes, bankruptcy, or failure of subcontractors to perform. If a force majeure clause is not expressly included in a contract, a legal action may be brought on the basis that such a clause should be implied under the doctrine of commercial frustration or commercial impracticability. See commercial frustration; commercial impracticability.
<b>Foreign Affairs/Customs Automated Permit System (EXCAPS)</b>	(Canada Customs) EXCAPS is a Canada Border Services Agency (CBSA) program that gives Canadian importers and brokers the ability to apply for a permit with the Department of Foreign Affairs and International Trade (DFAIT) to electronically transmit import permit information to the ACROSS system. The importer/broker transmits the release information and ACROSS matches the release data to the EXCAPS permit. A customs inspector then processes the release and permit information, and once the

Term	Definition
	goods are released, a notice is returned to DFAIT informing them that the permit has been used. For information, go to the DFAIT Web site at: <a href="http://www.cbsa-asfc.gc.ca/import/services-eng.html#opt_03">www.cbsa-asfc.gc.ca/import/services-eng.html#opt_03</a> .
<b>foreign affiliate</b>	See affiliate.
<b>foreign affiliate of a foreign parent</b>	(U.S.) Any member of an affiliated foreign group owning a U.S. affiliate that is not a foreign parent of the U.S. affiliate. See affiliate.
<b>Foreign Agricultural Service (FAS)</b>	(U.S.) An agency of the U.S. Department of Agriculture (USDA). FAS maintains a global network of agricultural officers as well as a Washington-based staff to analyze and disseminate information on world agriculture and trade, develop and expand export markets, and represent the agricultural trade policy interests of U.S. producers in multilateral forums. FAS also administers USDA's export credit and concessional sales programs. Contact: Information Staff; Foreign Agriculture Service; Department of Agriculture; 1400 Independence Avenue, SW; Washington, DC 20250 USA; Tel: [1] (202) 720-7115; Web: <a href="http://www.fas.usda.gov">www.fas.usda.gov</a> .
<b>Foreign Assets Control (FAC)</b>	(U.S.) An agency of the U.S. Treasury Department that administers sanctions programs involving specific countries and restricts the involvement of U.S. persons in third country strategic exports. Contact: Office of Foreign Assets Control; Department of The Treasury; Treasury Annex; 1500 Pennsylvania Avenue NW; Washington, DC 20220 USA; Tel: (toll-free): [1] (800) 540-6322; [1] (202) 622-2490; Fax-on-demand: [1] (202) 622-0077; Web: <a href="http://www.treas.gov/offices/enforcement/ofac/">www.treas.gov/offices/enforcement/ofac/</a> .
<b>Foreign Assistance Act of 1991</b>	(U.S.) This Act replaced the Support for East European Democracy (SEED) Act. The Foreign Assistance Act allows support to 26 countries, including all eastern European nations and most of the former Soviet republics.
<b>foreign availability</b>	<p>(U.S.) The U.S. Bureau of Industry and Security (formerly the Bureau of Export Administration) conducts reviews to determine the foreign availability of selected commodities or technology subject to U.S. export control. The reviews use four criteria to determine foreign availability: comparable quality, availability-in-fact, foreign source, and adequacy of available quantities that would render continuation of the U.S. control ineffective in meeting its intended purpose. A positive determination of foreign availability means that a non-U.S. origin item of comparable quality may be obtained by one or more proscribed countries in quantities sufficient to satisfy their needs so that U.S. exports of such item would not make a significant contribution to the military potential of such countries. A positive determination may result in the decontrol of a U.S. product that has been under export control, or the approval of an export license. However, the control may be maintained if the president invokes the national security override provision.</p> <p>Beginning with the 1977 amendments to the Export Administration Act, the Congress directed that products with foreign availability be identified and decontrolled unless essential to national security. In January 1983, a program to assess the foreign availability of specific products was established within the Bureau of Export Administration, now the Bureau of Industry and Security. Further, 1985 amendments to the Act directed that an Office of Foreign Availability be created. See Bureau of Industry and Security.</p>
<b>foreign bills</b>	(banking) Bills of exchange or drafts drawn on a foreign party and denominated in foreign currency. See bill of exchange.
<b>foreign bond</b>	(banking/finance) An international bond denominated in the currency of the country where it is issued.
<b>foreign bottom</b>	(shipping) (a) An ocean vessel built in a foreign country. (b) An ocean vessel registered in a foreign country. Bottom refers to the part of the ship's hull below the water line.
<b>Foreign Buyer Program</b>	See International Buyer Program.
<b>foreign commerce</b>	(trade) Trade between individuals or legal entities in different countries.
<b>Foreign Corrupt Practices Act (FCPA)</b>	(U.S. law) The FCPA makes it unlawful for any United States citizen or firm (or any person who acts on behalf of a U.S. citizen or firm) to offer, pay, transfer, promise to pay or transfer, or authorize a payment, transfer, or promise of money or anything of value to any foreign appointed or elected government official, foreign political party, or candidate for a foreign political office for a corrupt purpose, (that is, to influence a discretionary act or decision of the official) and for the purpose of obtaining or retaining

Term	Definition
	<p>business.</p> <p>It is also unlawful for a U.S. business owner to make such an offer, promise, payment, or transfer to any person if the U.S. business owner knows, or has reason to know, that the person will offer, give, or promise directly or indirectly all or any part of the payment to a foreign government official, political party, or candidate. For purposes of the FCPA, the term knowledge means actual knowledge--the business owner in fact knew that the offer, payment, or transfer was included in the transaction--and implied knowledge--the business owner should have known from the facts and circumstances of a transaction that the agent paid a bribe, but failed to carry out a reasonable investigation into the transaction.</p> <p>The provisions of the FCPA do not prohibit payments made to facilitate a routine government action. A facilitating payment is one made in connection with an action that a foreign official must perform as part of the job. In comparison, a corrupt payment is made to influence an official's discretionary decision. For example, payments are not generally considered corrupt if made to cover an official's overtime required to expedite the processing of export documentation for a legal shipment of merchandise, or to cover the expense of additional crew to handle a shipment.</p> <p>Any person may request the Department of Justice to issue a statement of opinion on whether specific proposed business conduct would be considered a violation of the FCPA. The opinion procedure is detailed in 28 C.F.R. Part 77. If the Department of Justice issues an opinion stating that certain conduct conforms with current enforcement policy, conduct in accordance with that opinion is presumed to comply with FCPA provisions. Contact: United States Department of Justice, Washington, DC.</p>
<b>Foreign Credit Insurance Association</b>	<p>(U.S.) A U.S. agency established in 1961 to offer insurance covering political and commercial risks on U.S. export receivables in partnership with the Export-Import Bank (Eximbank) of the United States.</p> <p>The FCIA was founded in 1961 as a partnership of the Eximbank and a group of private insurance companies. Eximbank is responsible for the political risk and may underwrite or reinsure the commercial risk. The FCIA acts as an agent responsible for the marketing and daily administration of the program. Contact: FCIA Management Company, Inc.; 125 Park Avenue, 14th Floor; New York, NY 10017; Tel: [1] (212) 885-1500; Web: www.fcia.com. See Export-Import Bank of the United States.</p>
<b>foreign currency</b>	<p>(banking) The currency of any foreign country which is the authorized medium of circulation and the basis for record keeping in that country. Foreign currency is traded in by banks either by the actual handling of currency or checks, or by establishing balances in foreign currency with banks in those countries.</p>
<b>foreign currency account</b>	<p>(banking) An account maintained in a foreign bank in the currency of the country in which the bank is located. Foreign currency accounts are also maintained by banks in the United States for depositors. When such accounts are kept, they usually represent that portion of the carrying bank's foreign currency account that is in excess of its contractual requirements.</p>
<b>foreign direct investment in the U.S. (FDIUS)</b>	<p>(foreign investment) Foreign direct investment in the United States is the ownership or control, directly or indirectly, by a single foreign person (an individual, or related group of individuals, company, or government) of 10 percent or more of the voting securities of an incorporated U.S. business enterprise or an equivalent interest in an unincorporated U.S. business enterprise, including real property. Such a business is referred to as a U.S. affiliate of a foreign direct investor. See Committee on Foreign Investment in the United States; foreign person; portfolio investment; affiliate; United States Affiliate.</p>
<b>foreign draft</b>	<p>(banking) A draft drawn by an individual (drawer) or bank in one country on another individual (drawee) or bank in another country. See bill of exchange.</p>
<b>Foreign Economic Trends</b>	<p>(publication) Reports prepared by U.S. embassies abroad to describe foreign country economic and commercial trends and trade and investment climates. The reports describe current economic conditions; provide updates on the principal factors influencing development and the possible impacts on U.S. exports; review newly announced foreign government policies as well as consumption, investment, and foreign debt trends. Available from: Superintendent of Documents; U.S. Government Printing</p>

<b>Term</b>	<b>Definition</b>
	Office; 732 N. Capitol Street, NW; Washington, DC 20401; Tel: [1] (866) 512-1800, [1] (202) 512-1800; Fax: [1] (202) 512-2104; Web: www.gpoaccess.gov.
<b>foreign exchange</b>	(banking/foreign exchange) Current or liquid claims payable in foreign currency and in a foreign country (bank balances, checks, bills of exchange). Not to be confused with foreign bank notes and coin, which are not included in this definition. See bank notes.
<b>foreign exchange auctions</b>	(foreign exchange) Auctions of foreign currency, as used in some developing countries, whereby the price obtained for the foreign currency at the auction is the rate of exchange applied till the next auction.
<b>foreign exchange contract</b>	(foreign exchange) A contract for the sale or purchase of foreign exchange specifying an exchange rate and delivery date.
<b>foreign exchange control</b>	(foreign exchange) Governmental control and supervision of: transactions within the country involving its currency, foreign exchange for imports and exports, capital movements of any currency or monetary instruments into and out of the country, and expenditures of currency by its own citizens traveling abroad.
<b>foreign exchange desk</b>	(Federal Reserve Bank) The foreign exchange trading desk at the New York Federal Reserve Bank. The desk undertakes operations in the exchange markets for the account of the Federal Open Market Committee, as agent for the U.S. Treasury and as agent for foreign central banks.
<b>foreign exchange holdings</b>	(foreign exchange) Holdings of current or liquid foreign exchange claims denominated in the currency of another country.
<b>foreign exchange market</b>	(foreign exchange) (a) The worldwide system of contacts, either by telephone, teleprinter or in writing, which take place between nonbank foreign exchange dealers and foreign exchange traders at banks as well as foreign exchange traders amongst themselves, where the monies of different countries are bought and sold. (b) Wherever foreign exchange rates are determined.
<b>foreign exchange rate</b>	(foreign exchange) The price of one currency in terms of another.
<b>foreign exchange trader</b>	(foreign exchange) An individual engaged in the business of buying and selling foreign exchange on his own account or as an employee of a bank or other business authorized to deal in foreign exchange.
<b>foreign exchange trading</b>	(foreign exchange) Buying and selling of foreign exchange, holding of currency positions, foreign exchange arbitrage, and foreign exchange speculation on the foreign exchange market.
<b>foreign exchange transactions</b>	(foreign exchange) The purchase or sale of one currency with another. Foreign exchange rates refer to the number of units of one currency needed to purchase one unit of another, or the value of one currency in terms of another.
<b>foreign exports</b>	(U.S.) The U.S. export of foreign merchandise (re-exports), consisting of commodities of foreign origin which have entered the United States for consumption or into Customs bonded warehouses or U.S. Foreign Trade Zones, and which, at the time of exportation, are in substantially the same condition as when imported. See re-export.
<b>foreign flag</b>	(shipping) An ocean vessel flying the flag of a foreign nation. An ocean vessel legally registered in another country. Typically, an ocean vessel flies the flag of its country of registry. The term applies to both air and sea transportation.
<b>foreign freight forwarder</b>	See freight forwarder.
<b>foreign income</b>	(economics) Income earned from work performed in another country.  (U.S.) Income earned by U.S. citizens from work performed in another country. Under the Tax Reform Act of 1976, the amount of annual income that can be excluded from taxable income by U.S. citizens working abroad was reduced from \$20,000 (in some cases from \$25,000) to \$15,000. Foreign employees of U.S. charitable organizations are able to exclude \$20,000 each year.
<b>foreign investment</b>	(banking) The purchase of assets from abroad.
<b>foreign investments</b>	(economics) The flow of foreign capital into a country's enterprises in which foreign residents have significant control.
<b>Foreign Labor Trends</b>	(publication) Published by U.S. Department of Labor, provides an overview of the labor sector of a country's economy. Includes information on labor standards, conditions of employment, human resource development and labor relations. Can be purchased

Term	Definition
	from: Superintendent of Documents; U.S. Government Printing Office; Mail Stop: IDCC; 732 N. Capitol Street, NW; Washington, DC 20401; Tel: [1] (866) 512-1800, [1] (202) 512-1800; Fax: [1] (202) 512-2104; Web: www.gpoaccess.gov.
<b>foreign market value</b>	The price at which merchandise is sold, or offered for sale, in the principal markets of the country from which it is exported.  (U.S.) In U.S. dumping investigations, if information on foreign home market sales is not available, the foreign market value is based on prices of exports to third countries or constructed value. Adjustments for quantities sold, circumstances of sales, and differences in the merchandise can be made to those prices to ensure a proper comparison with the prices of goods exported to the United States. See dumping; constructive value.
<b>foreign military sales (FMS)</b>	See conventional arms transfer.
<b>foreign parent</b>	(U.S.) The first foreign person or entity outside the United States in an affiliate's ownership chain that has direct investment in the affiliate. The foreign parent consists only of the first person or entity outside the United States in the affiliate's ownership chain; all other affiliated foreign persons are excluded.
<b>foreign parent group (FPG)</b>	(U.S.) Consists of: (a) the foreign parent, (b) any foreign person or entity, proceeding up the foreign parent's ownership chain, that owns more than 50 percent of the party below it, up to and including the ultimate beneficial owner (UBO), and (c) any foreign person or entity, proceeding down the ownership chain(s) of each of these members, that is owned more than 50 percent by the party above it. A particular U.S. affiliate may have several ownership chains above it, if it is owned at least 10 percent by more than one foreign party. In such cases, the affiliate may have more than one foreign parent, UBO, and/or foreign parent group. See United States Affiliate; affiliate; ultimate beneficial owner.
<b>foreign person</b>	A person who is resident outside a particular country or subject to the jurisdiction of another country.  (U.S. law) Any person resident outside the United States or subject to the jurisdiction of a country other than the United States. "Person" is any individual, branch, partnership, association, associated group, estate, trust, corporation, or other organization (whether or not organized under the laws of any state), and any government (including a foreign government, the U.S. government, a state or local government, and any agency, corporation, financial institution, or other entity or instrumentality thereof, including a government sponsored agency.).
<b>foreign policy controls</b>	(U.S.) U.S. export controls that are distinct from national security controls (such as the Coordinating Committee in Multilateral Export Controls or other international agreements) and are imposed to further U.S. foreign policy. The controls are typically imposed in response to developments in a country or countries--such as considerations regarding terrorism and human rights--or to developments involving a type or types of commodities and their related technical data. Foreign policy controls expire annually, unless extended.
<b>Foreign Remaining on Board (FROB)</b>	(United States) Cargo that is loaded in a foreign port and which is to be unloaded in another foreign port with an intervening vessel stop in one or more ports in the United States. U.S. Customs and Border Protection considers "FROB" cargo a security concern because although the cargo does not have a final destination in the U.S., the cargo is transiting the U.S. Currently, carriers must correctly report FROB cargo upon arrival in the United States. Under the new regulations, FROB cargo must be reported 24 hours in advance of loading at the foreign port.
<b>foreign remittances</b>	(banking) The transfer of any monetary instrument across national boundaries.
<b>foreign sales agent</b>	An individual or firm that serves as the foreign representative of a domestic supplier and seeks sales abroad for the supplier.
<b>Foreign Service (U.S.)</b>	(U.S. diplomacy) The Foreign Service supports the president of the United States and the secretary of state in pursuing U.S. foreign policy objectives. Foreign service functions include: representing U.S. interests; operating U.S. overseas missions; assisting U.S. citizens abroad; public diplomacy and reporting; and communicating and negotiating political, economic, consular, administrative, cultural, and commercial affairs. The Foreign Service comprises officers from the Departments of State, Commerce, and Agriculture and the United States Information Service. See commercial officers; economic officers.

Term	Definition
<b>Foreign Service Institute</b>	(U.S. government) The FSI was founded in 1946 to train U.S. foreign and civil service officials. Training courses cover administrative, consular, economic, commercial, and political work; foreign languages; and diplomatic life overseas. Contact: Foreign Service Institute; George P. Shultz National Foreign Affairs Training Center; 4000 Arlington Blvd.; Arlington, VA 22204-1500 USA; Tel: [1] (703) 302-714; Web: <a href="http://www.state.gov/m/fsi">www.state.gov/m/fsi</a> .
<b>foreign status merchandise</b>	(U.S. foreign trade zones) Imported merchandise which has not been released from U.S. Customs custody. Also refers to domestically produced merchandise which has been exported and later reimported into the U.S.  See foreign trade zone; Foreign Trade Zones Board; Foreign Trade Zone Act; grantee; operator; zone user; subzone.
<b>foreign trade zone (FTZ)</b>	<p>FTZs (or free zones, free ports, or bonded warehouses) are special commercial and industrial areas in or near ports of entry where foreign and domestic merchandise, including raw materials, components, and finished goods, may be brought in without being subject to payment of customs duties. Merchandise brought into these zones may be stored, sold, exhibited, repacked, assembled, sorted, graded, cleaned, or otherwise manipulated prior to reexport or entry into the national customs territory.</p> <p>(U.S.) FTZs are restricted-access sites in or near ports of entry, which are licensed by the Foreign-Trade Zones Board and operated under the supervision of U.S. Customs and Border Protection. Zones are operated under public utility principles to create and maintain employment by encouraging operations in the U.S. which might otherwise have been carried on abroad.</p> <p>Subzones are a special-purpose type of ancillary zone authorized by the Board for companies unable to operate effectively at public zone sites. Subzones may be approved when it can be demonstrated that the activity to be performed there will result in significant public benefit and is in the public interest.</p> <p>A Foreign Trade Zones Board, created by the Foreign Trade Zones Act of 1934, reviews and approves applications to establish, operate, and maintain foreign trade zones.</p> <p>See free trade area; grantee; operator; zone user; subzones; free trade agreement.</p> <p>Location of and general information on U.S. Foreign Trade Zones may be obtained from Foreign Trade Zones Board; Department of Commerce; Washington, DC 20230 USA; Tel: [1] (202) 482-2862; Fax: [1] (202) 482-0002.</p> <p>Questions relating to operational aspects of such responsibilities should be addressed to the appropriate district/area director of U.S. Customs.</p> <p>The Foreign Trade Zones Manual, for grantees, operators, users, Customs brokers, may be purchased from the Superintendent of Documents; U.S. Government Printing Office; Mail Stop: IDCC; 732 N. Capitol Street, NW; Washington, DC 20401; Tel: [1] (866) 512-1800, [1] (202) 512-1800; Web: <a href="http://www.gpoaccess.gov">www.gpoaccess.gov</a>.</p> <p>Additional information may be obtained from the National Association of Foreign Trade Zones; 1001 Connecticut Ave. NW, Suite 350; Washington, DC 20036; Tel: [1] (202) 331-1950; Web: <a href="http://www.naftz.org">www.naftz.org</a>.</p>
<b>Foreign Trade Zone Act (FTZA)</b>	(U.S. law) The principal statute governing foreign trade zones is the Foreign Trade Zones Act of 1934 (FTZA), which has been codified in the United States Code as Title 19, Sections 81a through 81u. The FTZA has been periodically amended. The FTZA generally covers how and where zones are established, how they are administered and what may and may not be done in them. See foreign trade zone; Foreign Trade Zones Board.
<b>foreign trade zone entry</b>	(U.S. Customs) The transfer of goods into a foreign trade zone. See foreign trade zone; entry.

<b>Term</b>	<b>Definition</b>
<b>Foreign Trade Zones Board</b>	(U.S. Customs) The administrative group responsible for the establishment, maintenance and administration of foreign trade zones in the United States under the Foreign Trade Zone Act. The Foreign Trade Zones Board consists of the U.S. Secretary of Commerce who is chairman and executive officer of the Board, the Secretary of the Treasury, and the Secretary of the Army. Contact: Foreign-Trade Zones Board; U.S. Department of Commerce; 1401 Constitution Ave., NW; Washington, DC 20230; Tel: [1] (202) 482-2862; Web: <a href="http://ia.ita.doc.gov/ftzpage">http://ia.ita.doc.gov/ftzpage</a> . See foreign trade zone.
<b>Foreign Traders Index (FTI)</b>	(publication) The Foreign Traders Index, which is part of the National Trade Data Bank (NTDB), identifies foreign firms that are interested in importing U.S. products. The FTI includes background information on foreign companies, address, contact person, sales figures, size of company, and products by SIC code. Contact: U.S. Department of Commerce; HCHB Room 4879; Washington, DC 20230 USA; Tel: [1] (202) 482-1986.
<b>foreign-owned affiliate in the U.S.</b>	<p>(U.S.) A business in the United States in which there is sufficient foreign investment to be classified as direct foreign investment. To determine fully the foreign owners of a U.S. affiliate, three entities must be identified: the foreign parent, the ultimate beneficial owner, and the foreign parent group. All these entities are "persons" in the broad sense: thus, they may be individuals; business enterprises; governments; religious, charitable, and other nonprofit organizations; estates and trusts; or associated groups.</p> <p>A U.S. affiliate may have an ultimate beneficial owner (UBO) that is not the immediate foreign parent; moreover, the affiliate may have several ownership chains above it, if it is owned at least 10 percent by more than one foreign person. In such cases, the affiliate may have more than one foreign parent, UBO, and/or foreign parent group.</p> <p>See United States Affiliate; foreign parent group; person; ultimate beneficial owner; affiliate; foreign parent.</p>
<b>forex</b>	Abbreviation for foreign exchange. See foreign exchange.
<b>forfaiting</b>	(trade/finance) The selling, at a discount, of medium to longer term accounts receivable or promissory notes of a foreign buyer (including those arising out of a letter of credit transaction) for immediate payment. These instruments may also carry the guarantee of the foreign government. Forfaiting emerged after the Second World War to expedite finance transactions between Eastern and Western European countries. More recently, it has become popular in Asian and Third World countries. Both U.S. and European forfaiting houses, which purchase the instruments at a discount from the exporters, are active in the U.S. market. See factoring.
<b>forint</b>	The currency of Hungary. Ft1=100 fillér (discontinued).
<b>forklift truck</b>	(logistics) A highly maneuverable utility vehicle designed to move loaded pallets or skids in warehouses and manufacturing plants. Forklift trucks feature two long prongs (forks) that extend from the front of the vehicle and fit under or into openings at the bottom of a pallet or skid. These prongs can be raised, lowered or tilted to secure, move, raise, lower and position the loaded pallet in warehouse racks, containers, trucks or other vehicles. Special forklifts can handle very heavy weights and access high shelving. See pallet; skid.
<b>Form A</b>	See Certificate of Origin Form A.
<b>fortuitous</b>	(insurance/law) An accidental occurrence, something that happens by chance.
<b>forty foot equivalent unit (FEU)</b>	Unit of measurement equivalent to one standard forty foot ocean cargo container.
<b>forward contract</b>	(trade/finance) Purchase or sale of a specific quantity of a commodity, security, currency or other financial instrument at a predetermined rate with delivery and settlement at a specified future date.

<b>Term</b>	<b>Definition</b>
<b>forward foreign exchange</b>	(foreign exchange) An agreement to purchase foreign exchange (currency) at a future date at a predetermined rate of exchange. Forward foreign exchange contracts are often purchased by international buyers of goods who wish to hedge against foreign exchange fluctuations between the time the contract is negotiated and the time payment is to be made.
<b>forward market</b>	(foreign exchange) The market for the purchase and sale of forward foreign exchange. Forward dates are usually one, three, six or twelve months in the future. See forward foreign exchange.
<b>forward operations</b>	(foreign exchange) Foreign exchange transactions, on which the fulfillment of the mutual delivery obligations is made on a date later than the second business day after the transaction was concluded.
<b>forward rate</b>	(foreign exchange) A contractually agreed upon exchange rate for a forward foreign exchange contract.
<b>forward rate agreements (FRA)</b>	(banking) With forward rate agreements (also known as future rate agreements) two counterparties can hedge themselves against future interest rate changes. They agree upon an interest rate for a future period within a specific currency segment, which is valid for a predetermined amount. In contrast to futures, FRA's are not standardized and are not traded on exchanges but are used in interbank trading.
<b>forwarder</b>	See freight forwarder.
<b>forwarder's bill of lading</b>	(shipping) A bill of lading issued by a forwarding agent. See bill of lading.
<b>forwarding agent's bill of lading</b>	(shipping) A bill of lading issued by a forwarding agent. See bill of lading.
<b>forwarding agent's receipt</b>	(shipping) Receipt issued by a forwarding agent for goods received.
<b>FOT</b>	See free on rail; free on truck; Incoterms.
<b>foul bill of lading</b>	(shipping) A receipt for goods issued by a carrier with an indication that the goods were damaged or short in quantity when received. See bill of lading.
<b>four tigers, four dragons</b>	A term used to describe the emerging economies of Hong Kong, Singapore, South Korea and Taiwan.
<b>fourth party logistics</b>	See 4PL.
<b>fractional currency</b>	(banking) Any currency that is smaller than a standard money unit (e.g., any coin worth less than \$1).
<b>framework agreement</b>	<p>(a) (GATT/WTO): The Tokyo Round of the GATT called for consideration to be given "to improvements in the international framework for the conduct of world trade." Four separate agreements make up what is known as the "framework agreement." They concern: (1) differential and more favorable treatment for, and reciprocity and fuller participation by, developing countries in the international framework for trade; (2) trade measures taken for balance of payments purposes; (3) safeguard actions for development purposes; and (4) an understanding on notification, consultation, dispute settlement, and surveillance in the GATT.</p> <p>(b) Under the umbrella of the Enterprise for the Americas Initiative the United States and interested Western Hemisphere countries are negotiating bilateral "framework agreements" which establish agreed upon stages for eliminating counterproductive barriers to trade and investment. They also provide a forum for bilateral dispute settlement.</p> <p>Generally, bilateral framework agreements contain similar objectives. They are based on a statement of agreed principles regarding the benefits of open trade and investment, increased importance of services to economies, the need for adequate intellectual property rights protection, the importance of observing and promoting internationally recognized worker rights, and the desirability of resolving trade and investment problems expeditiously. The parties establish a Council on Trade and Investment to monitor trade and investment relations, hold consultations on specific trade and investment matters of interest to both sides, and work toward removing impediments to trade and investment flows. Framework agreements do not bind signatories to implement specific trade liberalization measures. See General Agreement on Tariffs and Trade.</p>

Term	Definition
franc	<p>CFA = Financial Community of Africa</p> <p>BCEAO = Central Bank of the West African States</p> <p>CFP = Pacific Financial Community</p> <p>The currency of:</p> <p>Benin, CFA Franc BCEAO;</p> <p>Burkina Faso, CFA Franc BCEAO;</p> <p>Burundi, FBu1=100 centimes;</p> <p>Cameroon, CFA Franc BEAC;</p> <p>Central African Republic, CFA Franc BEAC;</p> <p>Chad, CFA Franc BEAC;</p> <p>Comoros, Comoros franc;</p> <p>Congo, Dem. Rep. of, Fc1=100 centimes;</p> <p>Côte d'Ivoire, CFA Franc BCEAO;</p> <p>Djibouti, DF1=100 centimes;</p> <p>Equatorial Guinea, CFA Franc BEAC;</p> <p>French Pacific Islands, 1 CFP Franc=100 centimes;</p> <p>Gabon, CFA Franc BEAC;</p> <p>Guinea, GFr1=100 centimes;</p> <p>Guinea-Bissau, CFA Franc BCEAO;</p> <p>Liechtenstein (uses Swiss franc);</p> <p>Mali, CFA Franc BCEAO;</p> <p>New Caledonia, 1 CFP Franc=100 centimes;</p>

Term	Definition
	<p>Niger, CFA Franc BCEAO;</p> <p>Rwanda, RF1=100 centimes;</p> <p>Senegal, CFA Franc BCEAO;</p> <p>Switzerland, 1SwF=100 centimes;</p> <p>Wallis and Fortuna, 1 CFP Franc=100 centimes;</p> <p>Togo, CFA Franc BCEAO.</p> <p>The former currencies of: Andorra, Belgium, France, French Guiana, Guadeloupe, Luxembourg, Martinique, Monaco, Reunion Island and St. Pierre. The new currency of these countries is the European Union Euro. i1 = 100 cents.</p>
<b>franchise</b>	(insurance) In marine insurance, a deductible below which the insurer pays nothing, but at or above which, the insurer pays the entire amount of the loss up to the full sum insured. The franchise can be stated as either a percentage of the insured amount or as a set amount in the national currency of the insurance policy. The franchise effectively rules out very small claims.
<b>franco</b>	(trade term) Free from duties, transportation charges and other levies. Used also as delivery condition, e.g., franco ... (named place of delivery), which means that the seller must bear all transportation charges and duties up to the named place. See Incoterms.
<b>fraud</b>	(law) An intentional deception or false representation made to induce another person to act in reliance on that representation with the result that the person incurs damages. A buyer acts fraudulently, for example, by promising to pay for goods on delivery even though the buyer does not have the funds needed, accepting the goods as satisfactory, but not paying for them.
<b>Free Alongside Ship (. . . named port of shipment) (FAS)</b>	<p>(Incoterms© 2010, enter into force January 1, 2011)</p> <p>One of the 11 Incoterms© 2010.</p> <p>In Free Alongside Ship, the seller/exporter/manufacturer clears the goods for export and places them alongside the ship (on a dock or barge) at the "named port of shipment."</p> <p>When using the FAS term, it is advisable to clearly specify in the contract of sale, and in contracts of carriage, not only the named port of shipment, but also the precise loading point at or within the named port of shipment. This is particularly the case when the named port of shipment is large and options abound for delivery points.</p> <p>With FAS, the seller has the option to deliver the goods alongside the ship, or to "procure goods already so delivered." This is a reference to so-called "string sales" where a single shipment might be resold multiple times during transport, as is common in the commodity trade.</p> <p>The FAS term is commonly used in the sale of bulk commodity cargo such as oil, grains, and ore.</p> <p>If the shipment is containerized or to be containerized, common practice is to deliver the shipment to the carrier at a terminal and not alongside a ship. In such situations, the FCA term is recommended.</p>

Term	Definition
	<p>The named place in FAS is a port, and therefore the term is used only for ocean or inland waterway transport.</p> <p>With FAS, the named port of shipment is domestic to the seller. Usual payment terms for FAS transactions are cash in advance and open account, but letters of credit are also used.</p> <p>See Incoterms© 2010, World Trade Press Illustrated Guide to Incoterms© 2010 Appendix for details.</p>
<p><b>Free Alongside Ship (...named port of shipment) (FAS)</b></p>	<p>(obsolete-Incoterms 2000) An international trade term of sale in which, for the quoted price, the seller/exporter/manufacturer clears the goods for export and then places them alongside the vessel at the "named port of shipment." (The seller's clearing the goods for export was new to Incoterms 2000.)</p> <p>The Free Alongside Ship term is commonly used in the sale of bulk commodity cargo such as oil, grains, and ore.</p> <p>See Free Alongside Ship, Incoterms© 2010 below.</p>
<p><b>Free and Secure Trade (FAST)</b></p>	<p>(U.S./Canada, U.S./Mexico) A United States Customs and Border Protection (CBP) initiative designed to harmonize the commercial processes for clearance of commercial shipments at the U.S./Canada and U.S./Mexico borders. The FAST program is designed to:</p> <ol style="list-style-type: none"> <li>1. Increase the integrity of supply chain security by offering expedited clearance to carriers and importers enrolled in the Customs-Trade Partnership Against Terrorism (C-TPAT) program.</li> <li>2. Streamline and integrate registration processes for drivers, carriers and importers, minimizing paperwork and ensuring only low-risk participants are enrolled as members.</li> <li>3. Expedite the clearance of transborder shipments of compliant low-risk partners by: reducing CBP information requirements, dedicating lanes at major crossings to FAST participants, using common technology, and minimal physical cargo examinations.</li> <li>4. Serve as a catalyst for the Customs' administrations of the three countries to participate in enhanced technologies by using transponders, which will make it easier to clear low-risk shipments and will mitigate the cost of program participation for FAST partners.</li> </ol> <p>FAST approved highway carriers will benefit from:</p> <ol style="list-style-type: none"> <li>1. Dedicated lanes for greater speed and efficiency in the clearance of FAST transborder shipments.</li> <li>2. Reduced number of examinations for continued compliance with CBP's FAST requirements.</li> <li>3. A strong and ongoing partnership with the Canadian Partners in Protection (PIP), CBP's Customs-Trade Partnership Against Terrorism (C-TPAT) and Mexican Customs administrations.</li> <li>4. Enhanced supply chain security and safety while protecting the economic prosperity of each country.</li> <li>5. The knowledge that they are carrying shipments for a C-TPAT-approved importer.</li> </ol>

Term	Definition
	<p>6. A head start for the upcoming modifications to FAST that will expand eligible electronic cargo release methods.</p> <p>See the FAST section in the Security Appendix.</p>
<b>free astray</b>	<p>(shipping) A shipment miscarried or unloaded at the wrong station is billed and forwarded to the correct station, free of charges, on account of being astray, hence the term free astray.</p>
<b>Free Carrier (. . . named place of delivery) (FCA)</b>	<p>(Incoterms© 2010, enter into force January 1, 2011)</p> <p>One of the 11 Incoterms© 2010.</p> <p>In Free Carrier, the seller/exporter/manufacturer clears the goods for export and delivers them to the carrier specified by the buyer at the "named place of delivery."</p> <p>If the named place of delivery is the seller's place of business, the seller is responsible for loading the goods onto the transport vehicle. If the named place is any other location, such as the loading dock of the carrier, the seller is not responsible for unloading. When using the FCA term, it is advisable to clearly specify in the contracts of sale and carriage the precise point of delivery.</p> <p>"Carrier" has a special meaning. Technically, a carrier is a firm that itself transports goods or passengers for hire, rather than simply arranging for such transport. Examples are a shipping line, airline, trucking firm, or railway.</p> <p>In the FCA term, however, the carrier can be any person who by contract "undertakes to perform or procure" such services by any of the above methods of transport including multimodal. Therefore, a person, such as a freight forwarder, can act as a "carrier." With the FCA term, the buyer nominates the "carrier," and the seller need only accept the nomination for the term to work.</p> <p>The FCA term may be used for any mode of transport including multimodal. With FCA, the named place of delivery is domestic to the buyer. The FCA term is often used when making an initial quotation for the sale of goods.</p> <p>See Incoterms© 2010, World Trade Press Illustrated Guide to Incoterms© 2010 Appendix for details.</p>
<b>Free Carrier (...named place of delivery) (FCA)</b>	<p>(obsolete-Incoterms 2000) An international trade term of sale in which, for the quoted price, the seller/exporter/manufacturer clears the goods for export and then delivers them to the carrier specified by the buyer at the named place.</p> <p>If the named place is the seller's place of business, the seller is responsible for loading the goods onto the transport vehicle. If the named place is any other location, such as the loading dock of the carrier, the seller is not responsible for loading the goods onto the transport vehicle.</p> <p>The Free Carrier term may be used for any mode of transport, including multimodal.</p> <p>"Carrier" has a specific and somewhat expanded meaning. A carrier can be a shipping line, an airline, a trucking firm, or a railway. The carrier can also be an individual or firm who undertakes to procure carriage by any of the above methods of transport including multimodal. Therefore, a person, such as a freight forwarder, can act as a "carrier" under this term. In such a case, the buyer names the carrier or the individual who is to receive the goods.</p>

Term	Definition
	<p>The Free Carrier term is often used when making an initial quotation for the sale of goods.</p> <p>See Free Carrier, Incoterms 2010 below.</p>
<b>free domicile (door to door)</b>	(trade term/logistics) A trade term that specifies that the shipper is responsible for all costs of delivery of a shipment, including customs clearance fees, directly to the door of the consignee. See Incoterms.
<b>free exchange rate</b>	See exchange rate; floating.
<b>free in</b>	(shipping) A pricing term indicating that the loading charges are for the account of the supplier.
<b>free in and out (FIO)</b>	(shipping) A pricing term indicating that the charterer of a vessel is responsible for the cost of loading and unloading goods from the vessel.
<b>free list</b>	(customs) A statement, prepared by the customs department of a country, of items that are not liable to the payment of duties.
<b>free market</b>	(economics) Describes the unrestricted movement of items in and out from the market, unhampered by the existence of tariffs or other trade barriers.
<b>free of capture and seizure (F.C.&amp;S.)</b>	(insurance) An insurance policy provision stating that the policy does not cover warlike operations or its consequences, whether before or after the actual declaration of war. Currently, most open policies omit war perils from its insuring conditions and in all cases will include a F.C.&S. clause. War coverage is customarily furnished in conjunction with an open cargo policy and is written under a separate, distinct policy--the War Risk Only Policy. See war risk; all risk; special marine policy.
<b>free of particular average (FPA)</b>	(insurance) A clause in an insurance policy that provides that in addition to total losses, partial losses resulting from perils of the sea are recoverable, but only in the event that the carrying vessel has stranded, sunk, burnt, been on fire or been in collision. See average; particular average; general average; with average; deductible average.
<b>Free of Particular Average American Conditions</b>	(insurance) A marine insurance policy provisions that limits recovery of partial losses to those directly caused by a vessel stranding, sinking, burning, or being in collision with another vessel. See also Free of Particular Average English Conditions.
<b>Free of Particular Average-English Conditions</b>	(insurance) A marine insurance policy provisions that limits recovery of partial losses due to a peril in the Perils Clause of an insurance policy to those occurring on a voyage in which the vessel is stranded, sunk, burnt, or in collision with another vessel. Under FPAEC it is not necessary that the actual damage be caused by the vessel stranding, sinking, burning, or being in collision, but only that one of these has occurred during the voyage. See also Free of Particular Average American Conditions.
<b>Free On Board (. . . named port of shipment) (FOB)</b>	<p>(Incoterms© 2010, enter into force January 1, 2011)</p> <p>One of the 11 Incoterms© 2010.</p> <p>In Free On Board, the seller/exporter/manufacturer clears the goods for export and delivers them on board the named vessel at the "named port of shipment."</p> <p>This is a change from Incoterms 2000, where the seller was responsible only to deliver the goods "past the ship's rail."</p> <p>With FOB, the seller has the option to deliver the goods on board the vessel, or to "procure goods already so delivered." This is a reference to so-called "string sales," where a single shipment might be resold multiple times during transport, as is common in the commodity trade.</p> <p>The named place in FOB is a port and therefore the term is used only for ocean or inland waterway transport. With FOB, the named port of shipment is domestic to the seller.</p>

Term	Definition
	<p>If the shipment is containerized or to be containerized, common practice is to deliver the shipment to the carrier at a terminal and not on board a ship. In such situations, the FCA term is recommended.</p> <p>The FOB term is commonly used in the sale of bulk commodity cargo such as oil, grains, and ore.</p> <p>The key document in FOB transactions is the "On Board Bill of Lading."</p> <p>The named place in FOB is a port, and therefore the term is used only for ocean or inland waterway transport.</p> <p>Sellers and buyers often misuse the FOB term. FOB does not mean loading goods onto a truck or train at the seller's place of business. FOB is used only in reference to delivering the goods on board a ship in ocean or inland waterway transport. The FCA term, on the other hand, is applicable to all modes of transport.</p> <p>See Incoterms© 2010, World Trade Press Illustrated Guide to Incoterms© 2010 Appendix for details.</p>
<b>Free On Board (...named port of shipment) (FOB)</b>	<p>(obsolete-Incoterms 2000) An international trade term of sale in which, for the quoted price, the seller/exporter/manufacturer clears the goods for export and is responsible for the costs and risks of delivering the goods past the ship's rail at the named port of shipment.</p> <p>The Free On Board term is commonly used in the sale of bulk commodity cargo such as oil, grains, and ore where passing the ship's rail is important. However, it is also commonly used in shipping container loads of other goods. The key document in FOB transactions is the "On Board Bill of Lading."</p> <p>Sellers and buyers often confuse the Free On Board term with Free Carrier. Free On Board (FOB) does not mean loading the goods onto a truck at the seller's place of business. Free On Board is used only in reference to delivering the goods past a ship's rail in ocean or inland waterway transport. Free Carrier, on the other hand, is applicable to all modes of transport.</p> <p>See Free On Board, Incoterms© 2010 below.</p>
<b>free on rail; free on truck (FOR/FOT)</b>	<p>(trade terms) These terms are synonymous, since the word "truck" relates to the railway wagons. The terms should only be used when the goods are to be carried by rail. See Free Carrier; Incoterms.</p>
<b>free out</b>	<p>(shipping) A pricing term indicating that unloading charges are for the account of the receiver.</p>
<b>free port</b>	<p>An area, such as a port city, into which imported merchandise may legally be moved without payment of duties. See foreign trade zone.</p>
<b>free time</b>	<p>(shipping) The time allowed shippers or receivers to load or unload cars before demurrage, detention, or storage charges accrue. See demurrage; detention.</p>
<b>free trade</b>	<p>(economics) A theoretical concept that assumes international trade unhampered by government measures such as tariffs or nontariff barriers. The objective of trade liberalization is to achieve "freer trade" rather than "free trade," it being generally recognized among trade policy officials that some restrictions on trade are likely to remain in effect for the foreseeable future.</p>
<b>free trade agreement (FTA)</b>	<p>An FTA is an arrangement which establishes unimpeded exchange and flow of goods and services between trading partners regardless of national borders. An FTA does not (as opposed to a common market) address labor mobility across borders or other common policies such as taxes. Member countries of a free trade area apply their individual tariff rates to countries outside the free trade area.</p>

Term	Definition
<b>free trade area</b>	A group of two or more countries that have eliminated tariff and most nontariff barriers affecting trade among themselves, while each participating country applies its own independent schedule of tariffs to imports from countries that are not members. A free trade area allows member countries to maintain individually separate tariff schedules for external countries; members of a customs union employ a common external tariff. The best known example is the European Free Trade Association (EFTA) and the free trade area for manufactured goods that has been created through the trade agreements that have been concluded between the European Community and the individual EFTA countries. The World Trade Organization (WTO) spells out the meaning of a free trade area and specifies the applicability of other WTO provisions to free trade areas. See European Community; European Free Trade Association; common market.
<b>free trade zone</b>	See foreign trade zone; free zone.
<b>free zone</b>	An area within a country (a seaport, airport, warehouse or any designated area) regarded as being outside its customs territory. Importers may therefore bring goods of foreign origin into such an area without paying customs duties and taxes, pending their eventual processing, transshipment or reexportation. Free zones are also known as "free ports," "free warehouses," and "foreign trade zones."
<b>freeboard</b>	(general) The vertical distance between the level of water in a channel, reservoir, canal or tank and the top of the sides of a levee, dam, tank or other structure that holds or confines the water.  (shipping) The vertical distance between the surface of water and a ship's gunwale. The more heavily laden a vessel becomes, the less freeboard. See Plimsoll mark.
<b>Freedoms of the Air</b>	<p>Commercial aviation rights codified by the International Civil Aviation Organization (ICAO) granting airline(s) from one country various privileges to enter and land in another country's airspace. The text is part of the ICAO "Manual on the Regulation of International Air Transport." Contact ICAO; External Relations and Public Information Office (EPO); 999 University Street, Montreal, Quebec H3C 5H7, Canada; Tel: [1] (514) 954-8219; Web: www.icao.int.</p> <p>First Freedom of the Air - The right or privilege, in respect of scheduled international air services, granted by one State to another State or States to fly across its territory without landing (also known as a First Freedom Right).</p> <p>Second Freedom of the Air - The right or privilege, in respect of scheduled international air services, granted by one State to another State or States to land in its territory for non-traffic purposes (also known as a Second Freedom Right).</p> <p>Third Freedom of the Air - The right or privilege, in respect of scheduled international air services, granted by one State to another State to put down, in the territory of the first State, traffic coming from the home State of the carrier (also known as a Third Freedom Right).</p> <p>Fourth Freedom of the Air - The right or privilege, in respect of scheduled international air services, granted by one State to another State to take on, in the territory of the first State, traffic destined for the home State of the carrier (also known as a Fourth Freedom Right).</p> <p>Fifth Freedom of the Air - The right or privilege, in respect of scheduled international air services, granted by one State to another State to put down and to take on, in the territory of the first State, traffic coming from or destined to a third State (also known as a Fifth Freedom Right).</p> <p>Note : ICAO characterizes all "freedoms" beyond the Fifth as "so-called" because only the first five "freedoms" have been officially recognized as such by international treaty.</p>

Term	Definition
	<p>Sixth Freedom of the Air - The right or privilege, in respect of scheduled international air services, of transporting, via the home State of the carrier, traffic moving between two other States (also known as a Sixth Freedom Right). The so-called Sixth Freedom of the Air, unlike the first five freedoms, is not incorporated as such into any widely recognized air service agreements such as the "Five Freedoms Agreement".</p> <p>Seventh Freedom of the Air - The right or privilege, in respect of scheduled international air services, granted by one State to another State, of transporting traffic between the territory of the granting State and any third State with no requirement to include on such operation any point in the territory of the recipient State, i.e the service need not connect to or be an extension of any service to/from the home State of the carrier.</p> <p>Eighth Freedom of the Air - The right or privilege, in respect of scheduled international air services, of transporting cabotage traffic between two points in the territory of the granting State on a service which originates or terminates in the home country of the foreign carrier or (in connection with the so-called Seventh Freedom of the Air) outside the territory of the granting State (also known as a Eighth Freedom Right or "consecutive cabotage").</p> <p>Ninth Freedom of the Air - The right or privilege of transporting cabotage traffic of the granting State on a service performed entirely within the territory of the granting State (also known as a Ninth Freedom Right or "stand alone" cabotage).</p> <p>Source: Manual on the Regulation of International Air Transport (Doc 9626, Part 4). See Web: <a href="http://www.icao.int/icao/en/atb/ecp/Doc9626_en.pdf">www.icao.int/icao/en/atb/ecp/Doc9626_en.pdf</a>.</p>
<b>freehold</b>	(law) Fee simple, fee tail or life estate tenure in real property. (a) Fee simple means that an individual has tenure without limitation or restriction on transfer of ownership by sale or inheritance. (b) Fee tail means that only a specified individual or group of heirs is granted tenure. (c) Life estate means that tenure is granted to a specific individual during his or her lifetime or to an individual during the lifetime of the person in whose name the life estate is granted.
<b>freely negotiable</b>	(banking) When a letter of credit is stated as "freely negotiable," the beneficiary of the letter of credit has the right to present his documents at a bank of his choice for negotiation. See letter of credit.
<b>freight</b>	(shipping) All merchandise, goods, products, or commodities shipped by rail, air, road, or water, other than baggage, express mail, or regular mail.
<b>freight (van, box) trailer</b>	(road transportation) A box-like truck trailer designed to carry virtually any kind of boxed, crated, or palletized freight. Freight trailers are also called dry vans or simply "boxes." Shorter trailers are used for local deliveries or in tandem "truck trains." The standard axle/wheel configuration is 2-axle/8-wheel. For heavier loads, 3-axle/12-wheel or 4-axle/16-wheel configurations are available. Freight trailers feature rear swing doors or roll-up doors and one or two side doors.
<b>freight all kinds (FAK)</b>	(shipping/logistics) A carrier's rate classification that usually refers to a consolidated cargo shipment where items of different classes (weight, bulk or value) are shipped in a single container, but charged at a single rate. This rate classification is used only for establishing shipping rates and is not acceptable on customs documents, which must detail the specific contents of a shipment. See class or kind (of merchandise).
<b>freight bill</b>	<p>(shipping) (a) Destination freight bill--A bill rendered by a transportation line to consignee, giving a description of the freight, the name of shipper, point or origin, weight and amount of charges (if not prepaid).</p> <p>(b) Prepaid freight bill--A bill rendered by a transportation line to shipper, giving a description of the freight, the names of consignee and destination, weight and amount of charges.</p>

<b>Term</b>	<b>Definition</b>
<b>freight broker</b>	(logistics) An individual or company who sells transportation services without actually providing the services. Freight brokers typically match small shippers with carriers.
<b>freight carriage ... and insurance paid to</b>	See Cost, Insurance, Freight; Incoterms.
<b>freight carriage ... paid to</b>	See Carriage Paid To; Incoterms 2010.
<b>freight charge</b>	(shipping) The charge assessed for transporting freight.
<b>freight claim</b>	(shipping) A demand upon a carrier for the payment of overcharge or loss or damage sustained by shipper or consignee.
<b>freight forwarder</b>	(shipping) A person engaged in the business of assembling, collection, consolidating, shipping and distributing less-than-carload or less-than-truckload freight. Also, a person acting as agent in the transshipping of freight to or from foreign countries and the clearing of freight through customs, including full preparation of documents, arranging for shipping, warehousing, delivery and export clearance.
<b>freighter</b>	<p>(ocean shipping) Freighter can refer generally to any marine vessel that carries freight, but applies more specifically to traditional non-container vessels that carry break-bulk cargo. Traditional freighters utilize numerous deck-mounted cranes to transfer uncontainerized cargo such as cartons, bales, drums, palletized cargo, machinery, and vehicles from a wharf or lighter onto the vessel, where longshoremen or stevedores, in a very time-consuming process, stow the cargo into the holds. Traditional freighters are obsolete in all but the most remote ports of the world. Some have been converted to carry containers and dry bulk cargo such as grain, coal, phosphates, fertilizers, and animal feeds, but most have been sold as scrap metal.</p> <p>(air transport) An airplane designed to carry freight; a cargo aircraft. Most airplanes are available from the manufacturer in either passenger or freight configurations. In some cases the airplane can be configured as both passenger and freighter. In some cases older passenger airplanes that are considered past their prime are converted to freighters.</p>
<b>Frequent Importer Release System (FIRST)</b>	<p>(Canada Customs) A Canada Border Services Agency (CBSA) Line Release System (LRS) import program that allows for the quick clearance of low-risk, low-revenue commercial shipments made on a regular basis into Canada. Frequent Canadian importers who have established a sound compliance record can apply for FIRST privileges.</p> <p>For those accepted into the program, CBSA gives authorization numbers which appear on pre-approved import documents that identify FIRST shipments. When the goods arrive at the border, the carrier presents the import document with the bar-coded authorization and transaction number, a description of the goods and related invoices. CBSA inputs the barcode into a computer system to confirm that the importer has FIRST privileges for the goods on hand. The customs officer then decides whether to release the shipment or refer it for examination.</p> <p>For information about CBSA and FIRST, go to: <a href="http://www.cbsa-asfc.gc.ca">www.cbsa-asfc.gc.ca</a>.</p>
<b>fulfillment</b>	(logistics) The processing of an order. Fulfillment includes warehousing, order receiving, invoice processing, packing and shipping. The term is typical in the publishing business. For example, a publishing company might have one fulfillment "house" or "service" in its domestic market and others in key markets around the world.
<b>full container load (FCL)</b>	(logistics) A shipment of cargo that fills a given container either by bulk or maximum weight.
<b>full set</b>	All the originals of a particular document (usually the bill of lading). The number of originals is usually indicated on the document itself.
<b>full truck load (FTL)</b>	(logistics) A shipment of cargo that fills a given truck either by bulk or maximum weight.

<b>Term</b>	<b>Definition</b>
<b>fundamental analysis</b>	(economics) Analysis of basic economic data in a market (supply and demand), in order to be able to make assertions as to the future price trend of a traded commodity. Fundamental exchange rate analysis is based on the economic and business cycle data of the country in question and leads to longer-term exchange rate forecasts.
<b>fungibles</b>	(law) Goods that are identical with other goods of the same nature. A merchant who is unable to deliver a specific load of grain, for example, may negotiate to replace that grain with fungibles, that is another load of grain of the same nature and quality.
<b>furniture/electronics trailer (van)</b>	See deep-drop furniture/electronics trailer.
<b>future exchange contract</b>	See futures contract.
<b>future trading</b>	The sale or purchase of a commodity, currency or security for future delivery.
<b>futures contract</b>	(finance/foreign exchange) A contract for the future delivery of a specified commodity, currency or security on a specific date at a rate determined in the present. Standardized forward contracts are officially traded on an exchange such as the Chicago Board of Trade (CBOT), London International Financial Futures Exchange (LIFFE), Commodity Exchange Inc. (COMEX), or New York Mercantile Exchange (NYMEX). The contract is valid for a specific amount of a commodity or a fixed amount of a financial instrument.
<b>gainsharing (gain-sharing)</b>	A relationship between a client and vendor whereby both parties share financially in the value created as a result of the association. An example of gainsharing is where an outside firm audits a company's shipping records for the purpose of identifying overcharges, applying for refunds, and sharing the resulting revenue.
<b>gamma</b>	(statistics/banking/foreign exchange) The rate of change of an option's delta with respect to a marginal change in the price of the underlying instrument.
<b>gang</b>	(shipping) A group of usually four to six stevedores with a supervisor who are assigned to the loading or unloading of a portion of a vessel.
<b>gangway</b>	(shipping) (a) The opening through which a ship is boarded, (b) Either of the sides of the upper deck of a ship.
<b>gantry crane</b>	(shipping) A specialized machine for the raising or lowering of cargo mounted on a structure spanning an open space on a ship. The hoisting device travels back and forth along the spanning structure from port to starboard, while the spanning structure itself is often mounted on a set of rails which enables it to move from fore to aft.
<b>gateway</b>	(general) A major airport or seaport.  (customs) The port where customs clearance takes place.  (shipping) A point at which freight moving from one territory to another is interchanged between transportation lines.
<b>GATT</b>	See General Agreement on Tariffs and Trade.
<b>geisha bond</b>	(finance/banking) Bond issued on the Japanese market in currencies other than yen. Yen-denominated bonds are known as Samurai bonds.
<b>general agency</b>	See agency.
<b>General Agreement on Tariffs and Trade (GATT)</b>	[The General Agreement on Tariffs and Trade has been superseded by the World Trade Organization (WTO). The following entry remains for historical purposes. See World Trade Organization (WTO).]  Both a multilateral trade agreement aimed at expanding international trade and the organization which oversees the agreement. The main goals of GATT are to liberalize world trade and place it on a secure basis thereby contributing to economic growth and development and the welfare of the world's people. GATT is the only multilateral instrument that lays down agreed rules for

Term	Definition
	<p>international trade, and the organization is the principal international body concerned with negotiating the reduction of trade barriers and with international trade relations.</p> <p>One hundred and seventeen countries accounting for approximately 90 percent of world trade are Contracting Parties to GATT, while some other countries apply GATT rules on a de facto basis. Approximately 2/3 of GATT's membership consists of developing countries.</p> <p>The GATT was signed in 1948 by 23 nations as a response to the trade conflicts which contributed to the outbreak of World War II. Originally looked upon as an interim agreement, it has become recognized as the key institution concerned with international trade negotiations. An important element which contributed to GATT's importance early on came with the United States' refusal to ratify the Havana Charter of 1948, which would have created an International Trade Organization (ITO) as a Specialized Agency of the United Nations system, similar to the International Monetary Fund and the World Bank. The Interim Commission of the ITO (ICITO), which was established to facilitate the creation of the ITO, subsequently became the GATT Secretariat. One result of the recent Uruguay Round was the decision to replace the GATT Secretariat with a Multilateral Trading Organization (MTO), which will have more authority to enforce free trade rules, as through the assessment of trade penalties. In December, 1993, agreements were reached at the conclusion of the Uruguay Round to revise the framework of GATT. Member nations will sign the agreement in April, 1994, and it will go into effect July 1, 1995.</p> <p>The purpose of the GATT organization, headquartered in Geneva, is to provide a forum for discussion of world trade issues that allows for the disciplined resolution of trade disputes, based on the founding principles of GATT which include nondiscrimination, national treatment, transparency, and most-favored-nations (MFN) treatment. International negotiations known as "Rounds" are conducted to lower tariffs and other barriers to trade, and a consultative mechanism that may be invoked by governments seeking to protect their trade interests.</p> <p>A few of the fundamental principles and aims of GATT:</p> <ol style="list-style-type: none"> <li>(1) Trade without discrimination--The first principle embodied in the famous "most-favored nation" clause is that trade must be conducted on the basis of non-discrimination. No country is to give special trading advantages to another or to discriminate against it; all are on an equal basis and all share the benefits of any moves towards lower trade barriers.</li> <li>(2) Protection through tariffs--Ensures that if protection to a domestic industry is given, it should be extended through the customs tariff, and not through other commercial measures.</li> <li>(3) A stable basis for trade--Provided partly by the binding of the tariff levels negotiated among contracting parties. These bound items are listed, for each country, in tariff schedules which form an integral part of the General Agreement.</li> <li>(4) Promoting fair competition--Concerns over dumping and subsidies are addressed by the "Anti-dumping Code" which provides rules under which governments may respond to dumping in their domestic market by overseas competitors, and rules for the application of "countervailing" duties which can be imposed to negate the effects of export subsidies.</li> <li>(5) Quantitative restrictions on imports--A basic provision of GATT is a general prohibition of quantitative restrictions (import quotas). The main exception to the general rule against these restrictions allows their use in balance-of-payments difficulties under Article XII.</li> </ol>

Term	Definition
	<p>(6) The "waiver" and the possible emergency action--Waiver procedures allow a country to seek release from particular GATT obligations, when its economic or trade circumstances so warrant. The "safeguards" rule of GATT (Article XIX) permits members, under carefully defined circumstances, to impose import restrictions or suspend tariff concessions on products which are being imported in such increased quantities and under such conditions that they cause serious injury to competing domestic producers.</p> <p>(7) Regional trading arrangements --Regional trade groupings, as an exception to the general most-favored-nations treatment, are permitted in the form of a customs union or free trade area. Article XXIV recognizes the value of such agreements, which foster free trade by abolishing or reducing barriers against imports from countries in a particular region.</p> <p>(8) Settling trade disputes--Consultation, conciliation, and dispute settlement are fundamental aspects of GATT's work. Countries can petition GATT for a fair settlement of cases in which they feel their rights under the General Agreement are being withheld or compromised by other members. Bilateral consultations are emphasized, but if necessary, unresolved cases go before a GATT panel of experts.</p> <p>(U.S.) For the United States, the GATT came into existence as an executive agreement, which, under the U.S. Constitution does not require Senate ratification.</p> <p>See rounds; Tokyo Round; Uruguay Round; multilateral trade negotiations; rollback; standstill; safeguards; special and different treatment.</p> <p>See World Trade Organization (WTO).</p>
<b>general average</b>	<p>(shipping) A loss that affects all cargo interests on board a vessel as well as the ship herself. These include the owner of the hull and the owners of all the cargoes aboard for their respective values plus the owner or charterer who stands to earn a specific income from freight charges for the voyage.</p> <p>A general average loss may occur whether goods are insured or not. It is one that results from an intentional sacrifice (or expenditure) incurred by the master of a vessel in time of danger for the benefit of both ship and cargo. The classic example of this is jettison to lighten a stranded vessel. From the most ancient times, the maritime laws of all trading nations have held that such a sacrifice shall be borne by all for whose benefit the sacrifice was made, and not alone by the owner of the cargo thrown overboard.</p> <p>The principles of general average have been refined over the years, and they have inevitably come to reflect the increasing complexity of present day commerce. A vessel owner may and does declare his vessel under general average whenever, for the common good in time of danger an intentional sacrifice of ship or cargo has been made, or an extraordinary expenditure has been incurred. In actual practice, general averages result mainly from strandings, fires, collisions and from engaging salvage assistance or putting into a port of refuge following a machinery breakdown or other peril.</p> <p>As the name implies, general average claims affect all the interests which stand to suffer a financial loss if a particular voyage is not successfully completed.</p> <p>(insurance) Insurance coverage for a general average loss.</p> <p>See average; particular average; with average; free of particular average; deductible average.</p>

<b>Term</b>	<b>Definition</b>
<b>general average adjuster</b>	(shipping/insurance) An independent insurance adjuster specializing in marine insurance general average losses and claims, and who is responsible for collecting security, authorizing release of cargo to owners, and settling claims.
<b>general average bond</b>	(shipping/insurance) A bond secured by the owner of goods subject to general average binds himself to pay his proportion of a general average loss. General average adjusters will not authorize delivery of goods subject to a general average loss to their owner until a bond, deposit, average agreement, or guarantee is signed. See general average deposit, general average guarantee.
<b>general average deposit</b>	(shipping/insurance) A cash deposit paid by the owner of goods subject to general average to secure the payment of his or her proportion of a general average loss. The general average deposit is usually required as additional security to a general average bond. See general average guarantee.
<b>general average guarantee</b>	(shipping/insurance) A written guarantee made by an insurance company to pay an insured's proportion of a general average loss. Such a guarantee is usually accepted by the general average adjuster in lieu of a cash deposit and is additional security to the bond signed by the owner of the goods subject to the general average loss.
<b>general cargo rate</b>	(shipping) The rate a carrier charges for the shipment of cargo which does not have a special class rate or commodity rate.
<b>general cargo vessels</b>	(shipping) A vessel designed to handle break-bulk cargo such as bags, cartons, cases, crates and drums, either individually or in unitized or palletized loads. See breakbulk vessel.
<b>general commodity rate</b>	(shipping) A freight rate applicable to all commodities except those for which specific rates have been filed. Such rates are based on weight and distance and are published for each pair of ports or cities a carrier serves.
<b>general imports</b>	(U.S. Customs) The total physical arrivals of merchandise from foreign countries, whether such merchandise enters consumption channels immediately or is entered into bonded warehouses or Foreign Trade Zones under U.S. Customs custody.
<b>general liability</b>	(law) Unlimited responsibility for an obligation, such as payment of the debts of a business. See joint and several liability; limited liability.
<b>general order (GO)</b>	(U.S. Customs/shipping) Merchandise not entered within 5 working days after arrival of the carrier and then stored at the risk and expense of the importer. See general order warehouse.
<b>general order warehouse</b>	(U.S. Customs) A customs bonded warehouse to which customs sends goods (at the owner's expense and risk) which have not been claimed within five days of arrival.
<b>general partnership</b>	(law) A partnership in which all of the partners have joint and several liability for the partnership obligations. See joint and several liability.
<b>general tariff</b>	A tariff that applies to countries that do not enjoy either preferential or most-favored-nation tariff treatment. Where the general tariff rate differs from the most-favored-nation rate, the general tariff rate is usually the higher rate.
<b>Generalized System of Preferences (GSP)</b>	<p>A program providing for free rates of duty for merchandise from beneficiary developing independent countries and territories to encourage their economic growth.</p> <p>GSP is one element of a coordinated effort by the industrial trading nations to bring developing countries more fully into the international trading system.</p> <p>The GSP reflects international agreement, negotiated at the United Nations Conference on Trade and Development II (UNCTAD-II) in New Delhi in 1968, that a temporary and non-reciprocal grant of preferences by developed countries to developing countries would be equitable and, in the long term, mutually beneficial.</p> <p>(U.S.) The U.S. GSP scheme is a system of nonreciprocal tariff preferences for the benefit of these countries. The U.S. conducts annual GSP reviews to consider petitions requesting modification of product coverage and/or country eligibility. United States</p>

Term	Definition
	<p>GSP law requires that a beneficiary country's laws and practices relating to market access, intellectual property rights protection, investment, export practices, and workers rights be considered in all GSP decisions.</p> <p>The GSP eligibility list includes a wide range of products classifiable under approximately 3,000 different subheadings in the Harmonized Tariff Schedule of the United States (HTS or HTSUS). These items are identified either by an "A" or "A*" in the "Special" column 1 of the tariff schedule. Note that the eligible countries and eligible items change from time-to-time over the life of the program.</p> <p>Eligible merchandise will be entitled to duty-free treatment provided the following conditions are met: (1) The merchandise must be destined for the United States without contingency for diversion at the time of exportation from the beneficiary developing country. (2) The UNCTAD (United Nations Conference on Trade and Development) Certificate of Origin Form A must be properly prepared, signed by the exporter and either be filed with the customs entry or furnished before liquidation or other final action on the entry if requested to do so by Customs. (3) The merchandise must be imported directly into the United States from the beneficiary country. (4) The cost or value of materials produced in the beneficiary developing country and/or the direct cost of processing performed there must represent at least 35 percent of the appraised value of the goods.</p> <p>See Certificate of Origin Form A; Harmonized Tariff Schedule of the United States.</p>
<b>Gesellschaft mit beschränkter Haftung (GmbH)</b>	(Austria, Germany, Switzerland) Designation for a private limited liability corporation with limited liability to shareholders.
<b>giro</b>	See deposit money.
<b>global bond</b>	(banking/finance) A bond that can be traded immediately in any United States capital market and in the Euromarket.
<b>Global Public Goods</b>	<p>"Goods" that are in the public domain; goods that are there for all to consume. Goods may be in the public domain because:</p> <p>They cannot be made excludable (that is, their benefits cannot be withheld from the public), because doing so would be too expensive or technically impossible (e.g., the warming rays of the sun).</p> <p>They have been made public by design (e.g., a country's justice system, street signs, and basic education for all).</p> <p>They are public by default, due to policy neglect (e.g., air pollution, crime and violence, and communicable diseases) or due to lack of relevant information (e.g., food items or gases that one day science may recognize as being harmful to human health).</p> <p>For more information, refer to Providing Global Public Goods , published by Oxford University Press in 2002, or contact: Office of Development Studies; United Nations Development Programme; 1 United Nations Plaza (DC-1 Building), 21st Floor, New York, NY 10017 USA; Tel: [1] (212) 906-6064; Web: www.undp.org/ods, or the Global Policy Forum at www.globalpolicy.org.</p>
<b>global quota</b>	(customs) A quota on the total imports of a product from all countries.
<b>globalization</b>	(economics) The internationalization of business, communications and culture. The term has come to refer to the interdependence of the world economy and the fact that activities or events in one country can have far-reaching effects across the globe.
<b>Globally Harmonized System for the</b>	(standards) A classification system for the shipping of dangerous goods, developed by the United Nations, that seeks to eliminate confusion arising from country-specific placard and labeling systems. It synthesizes existing standards into one consistent method used for air, ship, and road transport. It is non-binding and adaptable to each country's needs.

Term	Definition
<b>Classification and Labeling of Chemicals (GHS)</b>	After ten years of technical work and negotiation, a United Nations Economic and Social Council Subcommittee adopted the Globally Harmonized System for Classification and Labeling ("GHS") and recommended that it be disseminated throughout the world. By promoting common, consistent criteria for classifying chemicals and developing compatible labeling and safety data sheets, the Globally Harmonized System is intended to enhance public health and environmental protection, as well as reduce barriers to trade. Countries lacking systems for hazard classification and labeling are to adopt the GHS as the fundamental basis for national policies for the sound management of chemicals; countries that already have systems will align them with GHS. There were many individuals involved, from a multitude of countries, international organizations, and stakeholder organizations. Their work spanned a wide range of expertise, from toxicology to fire protection, and ultimately required extensive goodwill and the willingness to compromise, in order to achieve this system. The purpose of the GHS is to promote common, consistent criteria for classifying chemicals according to their health, physical and environmental hazards, and to encourage the use of compatible hazard labels, material safety data sheets for workers, and other hazard communication information based on the resulting classifications. The GHS document is available from the United Nations Economic Commission for Europe (UNECE) website at: <a href="http://www.unece.org/trans/danger/publi/ghs/ghs_welcome_e.html">www.unece.org/trans/danger/publi/ghs/ghs_welcome_e.html</a> .
<b>gnomes of Zurich</b>	(banking) Those financial and banking people of Zurich, Switzerland, involved in foreign exchange trading and speculation. The term was coined by Great Britain's Labor ministers during the 1964 sterling crisis.
<b>godown</b>	(Chinese) A warehouse where goods are stored.
<b>gold exchange standard</b>	(banking/foreign exchange) An international monetary agreement according to which fiat national currencies can be converted into gold at established price ratios.
<b>gold fixing</b>	(banking/commodity markets) In London, Paris and Zurich, at 10:30 a.m. and again at 3:30 p.m., gold specialists or bank officials specializing in gold bullion activity determine the price for the metal.
<b>Gold Key Service</b>	(U.S.) An International Trade Administration, U.S. Department of Commerce service that provides customized information for U.S. firms visiting a country--market orientation briefings, market research, introductions to potential business partners, an interpreter for meetings, assistance in developing a market strategy, and help in putting together a follow-up plan. Trade specialists design an agenda of meetings, screen and select the right companies, arrange meetings with key people, and go with U.S. representatives to ensure that no unforeseen difficulties occur. For further information, in the U.S. call [1] (800) USA-TRADE (872-8723).
<b>gold reserves</b>	(banking/foreign exchange) Gold, retained by a nation's monetary agency, forming the backing of currency that the nation has issued.
<b>gold standard</b>	(economics) A monetary agreement whereby all national currencies are backed 100 percent by gold and the gold is utilized for payments of foreign activity.
<b>gold tranche position in International Monetary Fund</b>	(banking) Represents the amount that a member country can draw in foreign currencies virtually automatically from the International Monetary fund if such borrowings are needed to finance a balance-of-payments deficit.  (U.S.) In the case of the U.S., the gold tranche itself is determined by the U.S. quota paid in gold minus the holdings of dollars by the fund in excess of the dollar portion of the U.S. quota. Transactions of the fund in a member country's currency are transactions in monetary reserves. When the fund sells dollars to other countries to enable them to finance their international payments, the net position of the United States in the fund is improved. An improvement in the net position in the gold tranche is similar to an increase in the reserve assets of the United States. On the other hand, when the United States buys other currencies from the fund, or when other countries use dollars to meet obligations to the fund, the net position of the United States in the fund is reduced.

<b>Term</b>	<b>Definition</b>
<b>Golden Share</b>	<p>(finance/economics/politics) (a) The right of a government to exercise veto power over a company's wishes to materially change its articles of association. This term came into use in the 1980s to refer to France's and Spain's continued control of companies they had privatized.</p> <p>(b) A holding of voting stock in a company sufficient to exercise control of the company. Usually, this means 51% of the voting stock. However, if the balance of the voting stock is evenly divided over an issue, control of as little as 10 percent of the voting stock can control a company.</p>
<b>gondola (mill gondola) railway car</b>	(rail transportation) An open-top, extremely sturdy railway car with sides and ends designed to transport iron and steel scrap, steel ingots, coiled steel, sheet steel, pipes, and other steel products. Aggregate gondolas are designed to transport industrial minerals, crushed rock, and gravel. Mill gondolas are designed primarily for the steel industry. Options include cross bars, load restraining devices, and wooden troughs for handling specialty cargo. Aggregate gondolas typically lack internal bracing in order to facilitate top unloading.
<b>goods</b>	<p>(law) (a) Merchandise, supplies, raw materials, and completed products. (b) All things that are movable and are designated as sold to a particular buyer.</p> <p>(c) Durable goods are ones that last a relatively long time and that are not dissipated or depleted when used generally, such as machinery and tools. (d) Consumer goods are ones that are purchased primarily for the buyer's personal, family, or household use. (e) Hard goods are consumer durable goods, such as appliances. (f) Soft goods are consumer goods that are not durable, such as clothing.</p>
<b>goods in transit insurance</b>	(insurance) Insurance coverage for inland transit of goods by road and rail that often extends to include inland and coastal waterways. International transit by sea or air is covered by marine insurance.
<b>gourde</b>	The currency of Haiti. 1G=100 centimes.
<b>governing law clause</b>	(law) A contract clause by which the parties agree that their contract should be interpreted in accordance with the law of a designated jurisdiction. A court may decide not to follow the choice made by the parties, because the parties cannot deprive a court of jurisdiction, but courts will often agree to apply the law that the parties have specified.
<b>government bill of lading (GB/L)</b>	(U.S. logistics) A special bill of lading used for shipments made by the U.S. government. The U.S. Government Bill of Lading (GB/L) and the U.S. Government Bill of Lading - Privately Owned Personal Property (PPGBL) are the primary documents used by the U.S. government to procure freight, express transportation and other related services from commercial carriers.
<b>Government Printing Office</b>	See Superintendent of Documents.
<b>government procurement policies and practices</b>	<p>The means and mechanisms through which official government agencies purchase goods and services. Government procurement policies and practices may be considered to be non-tariff barriers to trade, involving the discriminatory purchase by official government agencies of goods and services from domestic suppliers, despite their higher prices or inferior quality as compared with competitive goods that could be imported.</p> <p>(U.S.) The United States pressed for an international agreement during the Tokyo Round (of the General Agreement on Tariffs and Trade, GATT) to ensure that government purchase of goods entering into international trade should be based on specific published regulations that prescribe open procedures for submitting bids, as had been the traditional practice in the United States. Most governments had traditionally awarded such contracts on the basis of bids solicited from selected domestic suppliers, or through private negotiations with suppliers that involved little, if any, competition. Other countries, including the United States, gave domestic suppliers a specified preferential margin, as compared with foreign suppliers. The Government Procurement Code negotiated during the Tokyo Round sought to reduce, if not eliminate, the "Buy National" bias underlying such practices by improving transparency and equity in national procurement practices and by ensuring effective recourse to</p>

Term	Definition
	<p>dispute settlement procedures. The Code became effective Jan. 1, 1981.</p> <p>See General Agreement on Tariffs and Trade; Tokyo Round, World Trade Organization (WTO).</p>
<b>graduation</b>	<p>The presumption that individual developing countries are capable of assuming greater responsibilities and obligations in the international community--within the WTO or the World Bank, for example--as their economies advance, as through industrialization, export development, and rising living standards. In this sense, graduation implies that donor countries may remove the more advanced developing countries from eligibility for all or some products under the Generalized System of Preferences. Within the World Bank, graduation moves a country from dependence on concessional grants to non-concessional loans from international financial institutions and private banks.</p>
<b>Grameen Bank</b>	<p>(banking) Literally, Bank of the Villages. A bank founded in 1976 by Muhammad Yunus, a US-educated professor of economics, to test his methodology for providing credit and other banking services to the rural poor (especially women) of Bangladesh. Since that time the Grameen Bank and its many subsidiaries have grown and made a reputation for both themselves and the concept of microcredit. Some interesting facts about the bank: the bank is 94% owned by its borrowers and 6% by the Government of Bangladesh; total borrowers: 6.39 million; women borrowers: 96%; loan recovery rate: 98.45%.</p> <p>Features of the loan methodology include: 1) Loans are made without collateral and without legally enforceable contracts. 2) Loans are made to promote self employment, housing and education, not consumption. 3) Borrowers must join a group of borrowers and attend weekly meetings. 4) Borrowers must agree to both obligatory and voluntary savings programs. 5) Although the loans are very small, the interest rates charged are very close to market rate. In 2006, Yunus and Grameen received the Nobel Prize for Peace. See microcredit.</p>
<b>grandfather clause</b>	<p>(law) A contract clause in a legal document granting a formal exemption to a rule or law based on previously existing conditions or circumstances.</p> <p>(WTO) A World Trade Organization (WTO) provision that allows the original contracting parties to exempt from general WTO obligations mandatory domestic legislation which is inconsistent with WTO provisions, but which existed before the WTO/GATT was signed. Newer members may also "grandfather" domestic legislation if that is agreed to in negotiating the terms of accession.</p>
<b>Granger Laws</b>	<p>(U.S. law) State laws passed in the late 1800s in the western and mid-western states of the U.S. that sought to regulate railroads, warehouses and grain elevators and eliminate discriminatory rates and charges. The name came from an organization of farmers established in 1867 called the National Grange of the Patrons of Husbandry (commonly called the Grange). While the group was fundamentally nonpolitical, it urged state legislation to regulate railroad rates and practices. Although most of these laws were eventually repealed or drastically changed, they served as a basis for later regulation of utilities and railroads.</p>
<b>grantee</b>	<p>(U.S. foreign trade zones) A public or private corporation to which the privilege of establishing, operating or maintaining a foreign trade zone has been given. See foreign trade zone; Foreign Trade Zone Board; Foreign Trade Zone Act; operator; zone user; subzones.</p>
<b>green card</b>	<p>(U.S. immigration) An identity card (visa) issued by the U.S. Citizenship and Immigration Services Bureau (formerly, the U.S. Immigration and Naturalization Service) entitling a foreign national to enter and reside in the United States as a permanent resident.</p>
<b>green line</b>	<p>See China green line.</p>
<b>green port</b>	<p>(shipping/environment) A movement by various seaports, environmental organizations, and others to encourage vessel operators to switch to a cleaner-burning fuel within, and in close proximity to ports, and to use shore electric power while in ports, in order to decrease pollution caused by the burning of bunker fuel. For more information go to <a href="http://www.green-port.net">www.green-port.net</a>.</p>

<b>Term</b>	<b>Definition</b>
<b>green supply chain (management)</b>	(logistics) The evaluation and modification of an organization's entire supply chain—from design, planning, purchasing, sourcing, and managing the use of materials to shipping and distributing final products—with an emphasis on reducing its environmental impact and creating a cost savings.
<b>grey list</b>	(U.S.) A list of disreputable end users in nations of concern for missile proliferation from the U.S. intelligence community. Licensing officials in the U.S. Departments of Commerce and State use this list as a cross-reference when reviewing export license applications for commodities listed in the Missile Technology Control Regime (MTCR) Equipment and Technology Annex.
<b>grid</b>	(foreign exchange) Fixed margin within which exchange rates are allowed to fluctuate.
<b>gross</b>	(general) 12 dozen or 144 articles.  (finance) The total amount before any deductions have been made.
<b>gross axle weight rating (GAWR)</b>	(logistics) An axle manufacturer's maximum weight rating for a truck axle and the proportion of the truck's weight that may be carried by that axle. See gross vehicle weight rating.
<b>gross domestic product (GDP)</b>	(economics) A measure of the market value of all goods and services produced within the boundaries of a nation, regardless of asset ownership. Unlike gross national product, GDP excludes receipts from that nation's business operations in foreign countries, as well as the share of reinvested earning in foreign affiliates of domestic corporations. See gross national product.
<b>gross national product (GNP)</b>	(economics) A measure of the market value of all goods and services produced by the labor and property of a nation. Includes receipts from that nation's business operation in foreign countries, as well as the share of reinvested earnings in foreign affiliates of domestic corporations. See gross domestic product.
<b>gross ton</b>	(measure) A unit of mass or weight measure equal to 2,240 pounds.
<b>gross tonnage</b>	(shipping) The capacity of a vessel (not cargo) expressed in vessel tons. It is determined by dividing by 100 the contents, in cubic feet, of the vessels closed-in spaces. (A vessel ton is 100 cubic feet.) The register of a vessel states both gross and net tonnage.
<b>gross vehicle weight</b>	(logistics) The total weight of a vehicle and its load.
<b>gross vehicle weight rating (GVWR)</b>	(logistics) A truck manufacturer's stated maximum loaded weight of a vehicle including the vehicle itself, fuel, fluids and a full load of cargo. See gross axle weight rating.
<b>gross weight</b>	(shipping) The full weight of a shipment, including goods and packaging. See tare weight.
<b>grounding</b>	(shipping) The striking or touching of a vessel to the bottom of a waterway. Running aground.
<b>Group of Fifteen (G-15)</b>	The G-15, established in 1990, consists of relatively prosperous or large developing countries. The G-15 discusses the benefits of mutual cooperation in improving their international economic positions. Members include: Algeria, Argentina, Brazil, Egypt, India, Indonesia, Jamaica, Malaysia (a very active member), Mexico, Nigeria, Peru, Senegal, Venezuela, Yugoslavia, and Zimbabwe.
<b>Group of Five (G-5)</b>	Similar to the Group of Seven (G-7), with the exception of Canada and Italy.
<b>Group of Seven (G-7)</b>	Group comprising the major industrialized nations in economic terms, which in view of the global economic importance of the member states have made it their objective to coordinate domestic economic policies. The coordination of economic, exchange rate and monetary policy aims is achieved both at government, central bank and also on other institutionalized levels. Member states are the USA, France, Great Britain, Germany, Japan, Canada, and Italy.
<b>Group of Seventy-Seven (G-77)</b>	A grouping of developing countries which had its origins in the early 1960s. This numerical designation persists, although membership had increased to more than 120 countries. The G-77 functions as a caucus for the developing countries on economic matters in many forums including the United Nations.

<b>Term</b>	<b>Definition</b>
<b>Group of Ten (G-10)</b>	A group of originally 10 countries (following Switzerland's accession, 11) comprising Belgium, Germany, France, Great Britain, Italy, Japan, Canada, Holland, Sweden and the United States, who within the framework of the General Arrangements to Borrow (GAB) have decided to put the equivalent of 17 billion in Special Drawing Rights (SDRs) in their various currencies at the International Monetary Fund's (IMF) disposal for granting loans. The Group of Ten plays an important role in discussions concerning international monetary policy. The Group of Ten is also called the Paris Club.
<b>Group of Twenty-Four (G-24)</b>	A grouping of finance ministers from 24 developing country members of the International Monetary Fund. The Group, representing eight countries from each of the African, Asian, and Latin American country groupings in the Group of 77, was formed in 1971 to counterbalance the influence of the Group of Ten.
<b>GS1</b>	(international standards) Note: GS1 came into existence when the Uniform Code Council (UCC) and the Electronic Commerce Council of Canada (ECCC) joined EAN International.  A not-for-profit international organization whose mission is to develop a set of standards enabling the efficient management of global, multi-industry supply chains by uniquely identifying products, shipping units, assets, locations and services. Individuals worldwide see EAN barcodes on virtually all consumer products. Worldwide consistency in identification practices enables the sharing of electronic data and streamlines the supply chain. Founded in 1977 to form a Universal Product Code (UPC), EAN aimed to facilitate the development of such standards. It seized a lead role in encouraging and propagating standards and achieved worldwide acceptance. Today 97 member organizations from 99 countries support its activities and disseminate information to about 850,000 member companies who benefit from using the EAN-UPC system. The main activities of member organizations include the allocation of unique numbers, distribution of specialized publications, training on EDI and bar coding and supplying information on the continued development of EAN standards. Contact: GS1; Blue Tower; 326 Avenue Louise; BE 1050 Brussels, Belgium; Tel: [32] 2 788 7800; Fax: [32] 2 788 7899; Web: www.gs1.org.
<b>GSP</b>	See Generalized System of Preferences.
<b>GST</b>	(Canada) Goods and Services Tax. A Canadian tax that is payable on most goods and services (imported and domestic) at the rate of 7.0 percent.
<b>guanxi</b>	(China) Chinese for relationships or connections. More specifically, the network of business and personal relationships that support success in an endeavor. Includes connections, clout, favors given and favors owed, trust, courtesy, and gifts (not bribery).
<b>guarani</b>	The currency of Paraguay. 1G=100 centimos.
<b>guarantor</b>	(law) An individual or legal entity that makes a guaranty, by which the guarantor agrees to be held liable for another's debt or performance. See guaranty.
<b>guaranty</b>	(law) A contract by which one person (the guarantor) agrees to pay another's debt or to perform another's obligation only if that other individual or legal entity fails to pay or perform. A guaranty is usually a separate contract from the principal agreement, and therefore the guarantor is secondarily liable to the third person. See guarantor; surety.
<b>Guidelines for Trade Data Interchange (GTDI)</b>	(computers/data interchange) A set of trade data interchange rules first published in 1981 in Europe and enhanced at later dates with the goal of achieving wider acceptance. GTDI and other standards (such as American National Standards Institute ANSI X12) seek to facilitate Electronic Data Interchange (EDI), which is the direct transfer of business data between computers. GTDI led to the UN/EDIFACT standards. Uniformity in international rules for trade data interchange, however, remains an unfulfilled goal. Competing standards and legacy systems have led to the failure of countries and companies to adopt a single standard. See American National Standards Institute, EDI, UN/EDIFACT.
<b>guilder</b>	The former currency (pre-2002) of the Netherlands.

<b>Term</b>	<b>Definition</b>
<b>Gulf Cooperation Council (GCC)</b>	The six member countries (Saudi Arabia, Kuwait, the United Arab Emirates, Bahrain, Qatar, and Oman) of the Gulf Cooperation Council (GCC) control half the proven oil reserves outside the Soviet Union, and account for about 40 percent of all the oil moving in international trade. The GCC was created in 1981, largely in response to the outbreak of the Iran-Iraq war. In creating the GCC, the members tried to maintain the balance of power in the Gulf by strengthening multilateral cooperation in security and economic matters. As regards trade, the GCC is only a policy-coordinating forum; the Council cannot impose policies on the members. GCC headquarters are in Riyadh, Saudi Arabia. The presidency of the GCC rotates yearly among the rulers of the member countries. Contact: Gulf Cooperation Council; PO Box 7153; Riyadh 11462, Saudi Arabia; Tel: [966] (1) 482-7777; Fax: [966] (1) 482-9089; Web: www.gcc-sg.org..
<b>Hague Rules</b>	(shipping/insurance) A set of rules designed to resolve the problem of shipowners excluding themselves from all liability for loss or damage to cargo. The Hague Rules established a minimum mandatory liability for carriers. Under these rules the shipper bears the cost of loss or damage to goods if they cannot prove that the vessel was unseaworthy, improperly manned or unable to safely transport and preserve the cargo. The carrier can avoid liability for risks resulting from human errors if "reasonable care" can be proved and if the vessel was properly manned and deemed seaworthy. The Hague Rules were established at a conference of maritime nations in 1922 at The Hague, Netherlands and are observed by 90 per cent of countries although there are regional addenda. The US adopted the Hague Rules with some changes in 1936 when it passed the Carriage of Goods by Sea Act in 1936. See Carriage of Goods by Sea Act.
<b>hallmark</b>	An impression made on gold and silverware introduced in the beginning of the fourteenth century in England to identify the quality of the metal used.
<b>handling costs</b>	(logistics) Costs related to moving, transferring, and preparing inventory for shipment, but not the shipping charges themselves.
<b>handymax</b>	(shipping) A small bulk or oil tanker vessel of 30,001 to 50,000 dwt that is a larger version of the popular handysize vessel.
<b>handysize</b>	(shipping) A small bulk or oil tanker vessel that is suited to tie up at a T2 type pier. These vessels are a maximum of 560 to 600ft (171-183m) in length and a maximum of 30,000 dwt. These vessels are more maneuverable and have shallower draft than larger vessels and make up the majority of the world's ocean-going cargo fleet.
<b>harbor fees</b>	(shipping) Charges assessed to users for use of a harbor, used generally for maintenance of the harbor. See users fees.
<b>harbor master</b>	(shipping) Person who administers and oversees the operations of a port, including harbor traffic, anchorages and berths. A harbor master typically has the experience of a certified master mariner with excellent knowledge of the port and surrounding areas.
<b>harbor pilot</b>	(shipping) A person qualified and typically licensed to guide ships through channels going into or out of a port or in specified waters.
<b>hard loan</b>	(banking) A foreign loan that must be paid in hard money.
<b>hard money (currency)</b>	(general) (a) Currency of a nation having stability in the country and abroad. Refers to currency that is accepted internationally and freely convertible. (b) Coins, in contrast with paper currency, or soft money.  (finance) Describes a situation in which interest rates are high and loans are difficult to arrange. synonymous with dear money.
<b>hard top container</b>	(shipping/logistics) A shipping container that has a roof which can be opened on hinges or lifted off. These two features facilitate loading through the top of the container, especially for shipping heavy equipment that is loaded from the top with a crane.
<b>Harmonized Standards</b>	Technical product specifications which have been established by various European standards organizations such as the European Committee for Standardization (CEN) and European Committee for Electrotechnical Standardization (CENELEC). See CE marking.
<b>Harmonized System (HS)</b>	A multipurpose international goods classification system designed to be used by manufacturers, transporters, exporters, importers, customs, statisticians, and others in classifying goods moving in international trade under a single commodity code.

Term	Definition
	<p>Developed under the auspices of the Customs Cooperation Council (CCC), an international Customs organization in Brussels, this code is a hierarchically structured product nomenclature containing approximately 5,000 headings and subheadings describing the articles moving in international trade. It is organized into 99 chapters arranged in 22 sections with the sections generally covering an industry (e.g., Section XI, Textiles and Textile Articles) and the chapters covering the various materials and products of the industry (e.g., Chapter 50--Silk; Chapter 55--Man-made Staple Fibers; Chapter 57--Carpets). The basic code contains 4-digit headings and 6-digit subheadings.</p> <p>(U.S.) The United States has added digits for tariff and statistical purposes. In the United States, duty rates are in the 8-digit level; statistical suffixes at the 10-digit level. The Harmonized System (HS) supplanted the U.S. Tariff Schedule (TSUSA) in January 1989.</p> <p>For the United States, the HS numbers are the numbers that are entered on the actual export and import documents. Any other commodity code classification number (SIC, SITC, end-use, etc.) are just rearrangements and transformations of the original HS numbers.</p> <p>See Harmonized Tariff Schedule of the United States.</p>
<b>Harmonized Tariff Schedule of the United States (HTS or HTSUS)</b>	<p>(U.S.) An organized listing of goods and their duty rates which is used by U.S. Customs as the basis for classifying imported products and therefore establishing the duty to be charged and providing the U.S. Census with statistical information about imports and exports. The categorization of product listings in the HTSUS is based on the international Harmonized Commodity Description and Coding System developed under the auspices of the Customs Cooperation Council (Harmonized System, HS).</p> <p>Familiarity with the organization of the HTSUS facilitates the classification process. The tariff schedule is divided into various sections and chapters dealing separately with merchandise in broad product categories. These categories, for example, separately cover animal products, vegetable products, products of various basic materials such as wood, textiles, plastics, rubber, and steel and other metal products in various stages of manufacture. Other sections encompass chemicals, machinery and electrical equipment, and other specified or non-enumerated products. The last section, Section XXII, covers certain exceptions from duty and special statutory exceptions.</p> <p>In Sections I through XXI, products are classifiable (1) under items or descriptions which name them, known as an eo nomine provision; (2) under provisions of general description; (3) under provisions which identify them by component material; or (4) under provisions which encompass merchandise in accordance with its actual or principal use. When two or more provisions seem to cover the same merchandise, the prevailing provision is determined in accordance with the legal notes and the General Rules of Interpretation for the tariff schedule. Also applicable are tariff classification principles contained in administrative precedents or in the case law of the U.S. Court of International Trade (formerly the U.S. Customs Court) or the U.S. Court of Appeals for the Federal Circuit Court (formerly the U.S. Court of Customs and Patent Appeals).</p> <p>The Harmonized Tariff Schedules of the United States also contain two rates of duty for each commodity listed. Column 1 duty rates are low and apply to imports from countries that have achieved Most Favored Nation (MFN) trading status with the United States. Column 2 duty rates apply to imports from countries that do not have Most Favored Nation (MFN) trading status with the United States. The Office of Tariff Affairs and Trade Agreements of the U.S. International Trade Commission is responsible for publishing the Schedule. An online HTML version, as well as downloadable PDF versions, including those of prior years, can be found at Web: <a href="http://www.usitc.gov/tata/hts/index.htm">www.usitc.gov/tata/hts/index.htm</a>. Print and CD-ROM versions are available from the U.S. Government Printing office at Tel: [1] [866] 512-8000, <a href="http://bookstore.gpo.gov">http://bookstore.gpo.gov</a>. See classification; Harmonized System.</p>

Term	Definition
<b>Harter Act</b>	(shipping) An 1893 US statute that relieves the owner of a ship from the consequences of careless or negligent acts in the navigation or in the management of a vessel, and from liability for losses caused by inherent defects or weakness in the vessel itself, provided the owner or his manager has taken all precautions to furnish a seaworthy vessel that has been adequately equipped and manned by a competent master and crew. This act still applies to domestic water shipments by common carriers, although it has been superseded by C.O.G.S.A. on shipments to and from foreign countries. See the Carriage of Goods by Sea Act.
<b>hatch</b>	(shipping) The opening in the deck of a vessel which gives access to the cargo hold.
<b>haulage</b>	(shipping) The local transport of goods. Also the charge(s) made for hauling freight on carts, drays or trucks. Also called cartage or drayage.
<b>hawala</b>	<p>(banking) An informal worldwide network of businesses that offer foreign exchange and international funds transfer services to clients, but operate outside of traditional western banking channels.</p> <p>Originating in India ( hawala means "providing a code" in Hindi), the hawala system is often the only means of currency exchange and funds transfer in countries and regions where no banking services are offered to individuals and small businesses.</p> <p>Hawala transactions are often simply legitimate transfers of funds from overseas workers to their families back home. However, the system is coming under scrutiny as it is also a favored conduit of funds by money launderers, drug dealers, arms dealers, and terrorists.</p> <p>In extremely bureaucratic countries such as India, an international bank transfer might be illegal or could take as long as a month to complete. Hawala transactions, on the other hand, are often completed in as little as three days, regardless of official regulations.</p> <p>Hawala dealers are often able to offer more favorable foreign exchange rates and quicker turnaround time because they typically operate outside of government control, do not use standard banking records and often do not pay taxes.</p> <p>As a result, hawala operations are legal and subject to government control in some countries, but entirely illegal in others. In 1994 the U.S. required hawala dealers to register with the government. The hawala system operates primarily in the Middle East, North Africa and Central, South and East Asia, but the network is worldwide.</p> <p>How it works:</p> <p>An individual gives a local hawala dealer cash and asks that it be transferred to a named individual in a foreign country. The dealer charges the remitter a transfer fee of from 1 to 4 percent for large transactions and from 5 to 20 percent for small transactions.</p> <p>The hawala dealer then calls, faxes or e-mails (in code) a counterpart in another part of the world with instructions to give the funds to a named individual who uses a password or code as identification when collecting the money. In India the codes typically involve animals, (e.g., "five pigs" or "twelve hens.")</p> <p>Unlike typical western banking, the hawala dealer does not forward the funds to his counterpart. Both dealers make a record in their ledgers with the assumption that a counterbalancing transaction will occur at a later date. If one dealer has paid out a</p>

Term	Definition
	substantial sum over time to another dealer, a compensating shipment of valuable or saleable goods may be made. Such a shipment might include gold jewelry (such as 22-24 karat gold) that has an internationally known market value, or merchandise that the dealer can easily sell in his local market.
<b>hazard</b>	(insurance) Anything that has the potential to increase the likelihood of a loss or the level of a loss.
<b>hazardous materials</b>	(shipping) A substance or material which has been determined to be capable of posing a risk to health, safety, and property when transported in commerce.  (U.S.) A substance or material which has been determined by the U.S. Secretary of Transportation to be capable of posing an unreasonable risk to health, safety, and property when transported in commerce and which has been so designated. Title 49, Code of Federal Regulations (U.S.) Transportation--Parts 100-199, govern the transportation of hazardous materials. Hazardous materials may be transported domestically, but they may be classified as Dangerous Goods when transported internationally by air. See restricted article; dangerous goods. Also, see the Hazardous Materials and Dangerous Goods illustrated appendices.
<b>hazmat</b>	(logistics) An abbreviation for hazardous materials. See hazardous materials.
<b>heavy lift</b>	(shipping) Articles too heavy to be lifted by a ship's tackle.
<b>heavy lift charge</b>	(shipping) A charge made for lifting (onloading or offloading) articles too heavy to be lifted by a ship's tackle. Usually requiring the use of heavy lift equipment at a port.
<b>heavy lift vessel</b>	(shipping) A vessel with very high-capacity on-deck lift cranes and other equipment designed to be self-sustaining in the handling of extremely large and/or heavy items that cannot be transported in or on other vessels. Semi-submersible types of heavy lift vessels are designed to transport, lift, and unload very large floating objects, including damaged ships. Ro-ro heavy lift vessels also exist.  Heavy lift vessels have large cargo decks and unusual deck and pilothouse configurations to accommodate unusual types of cargo.  Heavy lift vessels carry high-value, complex cargoes such as transformers, locomotives, rockets, crushers, semi-submersible rigs, jack-ups, oil platforms, bridge spans, TLPs (tension leg platforms), SPAR buoys, etc.
<b>hedge</b>	To offset. Also, a security that has offsetting qualities. Thus one attempts to "hedge" against inflation by the purchase of securities whose values should respond to inflationary developments. Securities having these qualities are "inflation hedges." See hedging; delta hedging.
<b>hedge ratio</b>	(finance/foreign exchange) The amount of an underlying instrument or the number of options which are needed to hedge a covered option. The hedge ratio is determined by the size of the delta. See delta; delta hedging.
<b>hedging</b>	(finance/foreign exchange) A type of economic insurance used by dealers in commodities, foreign exchange and securities, manufacturers, and other producers to prevent loss due to price fluctuations. Hedging consists of counterbalancing a present sale or purchase by a purchase or sale of a similar commodity or of a different commodity, usually for delivery at some future date. The desired result is that the profit or loss on a current sale or purchase be offset by the loss or profit on the future purchase or sale. See arbitrage; delta hedging.
<b>high density</b>	(shipping) The compression of flat or standard bales of cotton to high density of approximately 32 pounds. This compression usually applies to cotton exported or shipped coast to coast.
<b>high security bolt seal</b>	(security) A bolt seal consisting of a metal rod, threaded or unthreaded, flexible or rigid, with a formed head and secured with a separate locking mechanism.

<b>Term</b>	<b>Definition</b>
<b>high security cable seal</b>	(security) A cable seal consisting of a cable and a locking mechanism. On a one-piece seal, the locking or seizing mechanism is permanently attached to one end of the cable. A two-piece cable seal has a separate locking mechanism, which slips onto the cable or prefabricated cable end.
<b>high security padlock/handcuff seal</b>	(security) A padlock/handcuff seal consisting of a locking body with a bail attached. Examples of this type of seal are wire shackle padlock and keyless padlock seals.
<b>hitchment</b>	(shipping) The marrying of two or more portions of one shipment that originate at different geographical locations, moving under one bill of lading, from one shipper to one consignee. Authority for this service must be granted by tariff publication.
<b>hold</b>	(shipping) The space below deck in a vessel used to carry cargo.
<b>hold for pickup</b>	(shipping) Freight to be held at the carrier's destination location for pickup by the recipient.
<b>hold harmless contract</b>	(law) An agreement by which one party accepts responsibility for all damages and other liability that arise from a transaction, relieving the other party of any such liability. A commercial tenant, for example, may agree to hold a landlord harmless for all liabilities that could arise from injuries to customers who enter the premises. A guarantor may agree to guaranty a person's debt only if that person agrees to hold the guarantor harmless from all damages that may arise if the person fails to pay the debt. A hold harmless contract provides complete indemnity. See guaranty; indemnity; surety.
<b>holder in due course</b>	(law) An individual or legal entity (holder) who possesses a negotiable instrument, document of title, or similar document, and who took possession for value, in good faith, and without notice of any other individual's or legal entity's claim or defense against the instrument or document. A buyer, for example, who receives title to goods after remitting the contract price to the seller is a holder in due course, provided the buyer has no notice of any lien or other claim against the goods. A holder in due course is generally protected from the claims of third parties against the item transferred, and thus the only recourse of a third party is against the person that transferred the title, instrument, or other item to the holder in due course.
<b>homesourcing/homeshoring</b>	The contracting of service work to employees or contractors who work remotely from their home, rather than from a company facility. While "cottage industry" refers to products, "homesourcing" typically refers to services.  Homesourcing is a combination of telecommuting and outsourcing. The individual can be an independent contractor or a full-time staff member of the contracting company. Homesourcing requires that the home location have adequate telephone and Internet connectivity.
<b>hong</b>	A Chinese transliteration from Cantonese meaning trading company. The term was primarily used in the west from the early 1800s through the 1900s to refer to Hong Kong and Macau trading firms that conducted internal trade with southern China.
<b>honor</b>	(banking) To pay or to accept a draft complying with the terms of credit. See bill of exchange.
<b>hopper or hopper car (rail)</b>	(rail transportation) An open-top railroad car with sides and ends designed to transport free-flowing dry-bulk commodities. Hopper cars are loaded from the top and unloaded by gravity through funnel-shaped receptacles (hoppers) on the undercarriage of the railcar. Common commodities transported in hopper cars include grains, industrial minerals, plastic pellets, crushed rock, gravel, and sand. Hopper cars are available in open top and covered configurations. Covered hoppers often have sliding roofs for protection from the elements. Special interior linings are available to protect specialty commodities.
<b>hopper trailer</b>	See dry bulk (hopper) trailer.
<b>horizontal export trading company</b>	An export trading company which exports a range of similar or identical products supplied by a number of manufacturers or other producers. Webb-Pomerene Organizations, trade-grouped organized export trading companies, and an export trading company formed by an association of agricultural cooperatives are prime examples of horizontally organized export trading companies.

<b>Term</b>	<b>Definition</b>
<b>horizontal integration</b>	(economics/management) The expansion, acquisition or merger of firms or business activities that produce or deliver similar products to similar markets. For example, a supermarket chain that purchases another supermarket chain. See vertical integration.
<b>house air waybill (HAWB)</b>	(shipping) A bill of lading issued by a freight forwarder for consolidated air freight shipments. In documentary letter of credit transactions HAWBs are treated exactly the same as conventional air waybills, provided they indicate that the issuer itself assumes the liability as carrier or is acting as the agent of a named carrier, or if the credit expressly permits the acceptance of a HAWB. See air waybill; bill of lading.
<b>household goods</b>	<p>(shipping/customs) Personal property, not including real estate, belonging to an individual or to a family that are household effects rather than personal effects. Each country has its own definition for customs purposes, but household goods generally include: household furnishings, art, books, furniture, kitchenware, bed linens, appliances including TVs, sporting goods (not firearms), and rugs.</p> <p>Personal effects, on the other hand, is personal property that belongs to, and is intended to be used by, one person. Customs generally distinguishes between household goods and personal effects. Once again, each country has its own definition for customs purposes, but personal effects generally include: wearing apparel, jewelry, photographic equipment, and personal electronics such as MP3 players and tape recorders.</p> <p>The personal importation of firearms, wine collections, pets, and personal motor vehicles is generally not covered by household effect and personal effect provisions.</p>
<b>hryvnia</b>	Currency of the Ukraine. 1 ₴ = 100 kopykas.
<b>hub and spoke routing</b>	(shipping) Aircraft routing service pattern that feeds traffic from many cities into a central hub designed to connect with other flights to final destinations. The system maximizes operating flexibility by connecting many markets through a central hub with fewer flights than would be required to connect each pair of cities in an extensive system.
<b>hull</b>	(shipping) The outer shell of a vessel usually made of steel.
<b>hull insurance</b>	(insurance) A subset of marine insurance that deals with covering risk to the structure of a ship or airplane as well as to the machinery used to operate the vessel. Hull insurance is contracted for by the vessel's owners, not by merchants shipping goods.
<b>hump</b>	(shipping) That part of a rail track which is elevated so that when a car is pushed up on "the hump" and uncoupled it runs down on the other side by gravity.
<b>hundredweight pricing</b>	(shipping) Special pricing for multiple-piece shipments traveling to one destination which are rated on the total weight of the shipment (usually over 100 pounds) as opposed to rating on a per package basis.
<b>identical merchandise</b>	<p>(U.S. Customs) In establishing the customs value of merchandise exported to the United States, identical merchandise is merchandise that is: (1) Identical in all respects to the merchandise being appraised, (2) Produced in the same country as the merchandise being appraised, and (3) Produced by the same person as the merchandise being appraised.</p> <p>If merchandise meeting all these criteria cannot be found, then identical merchandise is merchandise satisfying the first two criteria but produced by a different person than the producer of merchandise being appraised.</p> <p>Note: Merchandise can be identical to the merchandise being appraised and still show minor differences in appearance.</p> <p>Exclusion: Identical merchandise does not include merchandise that incorporates or reflects engineering, development, artwork, design work, and plans and sketches provided free or at reduced cost by the buyer and undertaken in the United States.</p>

Term	Definition
	See valuation; transaction value; computed value; similar merchandise.
<b>igloo</b>	(air freight/logistics) An air freight cargo container (unit load device or ULD) designed to fit the interior contours (usually of an upper deck) of a specific airplane. The name comes from the fact that many of these containers are in the shape of an igloo. See unit load device and the appendix "Guide to Air Freight Containers."
<b>IMDG</b>	See International Maritime Dangerous Goods Code.
<b>immediate delivery</b>	(U.S. Customs) An alternate U.S. Customs entry procedure which provides for immediate release of a shipment in certain cases. Application must be made to Customs for a Special Permit for Immediate Delivery on Customs Form 3461 prior to the arrival of the merchandise. If the application is approved, the shipment is released expeditiously following arrival. An entry summary must then be filed in proper form and estimated duties deposited within 10 working days of release. See entry.
<b>immediate transportation entry</b>	(U.S. Customs) A form of U.S. Customs entry which allows imported merchandise to be forwarded from the port of original entry to another final destination for customs clearance. Merchandise travels in bond, without appraisal, from the original port of entry to the final destination, where it is then inspected by customs. See entry.
<b>immigration</b>	The entry of foreign nationals into a country for the purpose of establishing permanent residence. See green card.
<b>implied agency</b>	See agency.
<b>implied conditions</b>	(insurance) Certain implied conditions are not written into marine insurance policies, but they are so basic to the understanding between underwriter and assured that the law gives them much the same effect as if written. Thus, it is implied: (1) that the assured will exercise the utmost good faith in disclosing to his underwriter all facts material to the risk when applying for insurance; (2) that the generally established usages of trade applicable to the insured subject matter are followed; and (3) that the assured shall not contribute to loss through willful fault or negligence. See special marine policy.
<b>implied volatility</b>	See volatility.
<b>implied warranties</b>	(law, insurance) Representations that may not be written into a contract, but are considered so basic to the relationship that the law gives them much the same effect as if they were written. The top three are:  <ol style="list-style-type: none"> <li>1. That the insured will exercise utmost good faith in disclosing to the insurance company all facts that are material to the risk when applying for insurance</li> <li>2. That the generally established usages of trade applicable to the insured subject matter are followed</li> <li>3. That the assured shall not contribute to a loss through willful fault or negligence</li> </ol> <p>Legal decisions have established two important implied warranties in marine insurance policies: that of legality of the venture and that of seaworthiness. The latter is of little concern today since insurance policies commonly waive the warranty of seaworthiness by stating that seaworthiness is admitted as between the assured and the insurer. The insurer is not at liberty, however, to waive the implied warranty of legality. Such a waiver would be against public policy and the law of the land. See special marine policy.</p>
<b>import</b>	(a) To receive goods and services from abroad. (b) An imported item.
<b>import credit</b>	(banking) A commercial letter of credit issued for the purpose of financing the importation of goods. See letter of credit.
<b>import duty</b>	(customs) Any tax on items imported. See tariff; Harmonized Tariff Schedule of the United States.
<b>import license</b>	(customs) A document required and issued by some national governments authorizing the importation of goods.

<b>Term</b>	<b>Definition</b>
<b>import quota</b>	(customs) A protective ruling establishing limits on the quantity of a particular product that can be imported. Quotas are a means of restricting imports by the issuance of licenses to importers, assigning each a quota, after determination of the total amount of any commodity which is to be imported during a period. Import licenses may also specify the country from which the importer must purchase the goods. See quota; tariff quotas.
<b>import quota auctioning</b>	(customs) The process of auctioning the right to import specified quantities of quota-restricted goods.
<b>import relief</b>	Any of several measures imposed by a government to temporarily restrict imports of a product or commodity to protect domestic producers from competition.
<b>import restrictions</b>	Any one of a series of tariff and non-tariff barriers imposed by an importing nation to control the volume of goods coming into the country from other countries. May include the imposition of tariffs or import quotas, restrictions on the amount of foreign currency available to cover imports, a requirement for import deposits, the imposition of import surcharges, or the prohibition of various categories of imports. See tariff; non-tariff barriers.
<b>import sensitive producers</b>	Domestic producers whose economic viability is threatened by competition (quality, price or service) from imported products.
<b>import service</b>	See export service.
<b>import substitution</b>	A strategy which emphasizes the replacement of imports with domestically produced goods, rather than the production of goods for export, to encourage the development of domestic industry.
<b>importer</b>	The individual, firm or legal entity that brings articles of trade from a foreign source into a domestic market in the course of trade.
<b>importer number</b>	(U.S. Customs) A unique 9- to 11-position alphanumeric code assigned by U.S. Customs and Border Protection to identify a person or company that imports merchandise.
<b>Importer Security Filing</b>	See 10+2 rule (under "#").
<b>Importers Manual USA</b>	(publication) A reference book detailing specific requirements for importing each of the 99 Chapters (categories of goods) of the Harmonized Tariff Schedule of the United States, plus extensive sections on banking, letters of credit, foreign exchange, packing, shipping, insurance, and U.S. Customs Entry. Published by World Trade Press, 800 Lindberg Lane, Petaluma CA 94952 USA; Tel: [1] (707) 778-1124, [1] (800) 833-8586 (toll-free, US only); Web: <a href="http://www.worldtradepress.com">www.worldtradepress.com</a> .
<b>imports</b>	Commodities of foreign origin as well as goods of domestic origin returned to the producing country with no change in condition, or after having been processed and/or assembled in other countries.  (U.S.) For statistical purposes, imports to the U.S. are classified by type of transaction: (a) Merchandise entered for immediate consumption. ("duty free" merchandise and merchandise on which duty is paid on arrival); (b) Merchandise withdrawn for consumption from U.S. Customs bonded warehouses, and U.S. Foreign Trade Zones; (c) Merchandise entered into U.S. Customs bonded warehouses and U.S. Foreign Trade Zones from foreign countries.
<b>imports for consumption</b>	(U.S. Customs) The total of merchandise that has physically cleared through U.S. Customs either entering domestic consumption channels immediately or entering after withdrawal for consumption from bonded warehouses under U.S. Customs custody or from U.S. Foreign Trade Zones. Many countries use the term "special imports" to designate statistics compiled on this basis. See consumption entry.
<b>imports of goods and services (U.S.)</b>	(economics) Represent the sum of all payments for merchandise imports, military expenditures, transportation and travel costs, other private and U.S. government services, and income and service payments to foreign parent companies by their affiliates operating in the United States. By far the largest component of this category is merchandise imports, which includes all goods bought or otherwise transferred from a foreign country to the United States.
<b>impost</b>	A tax, usually an import duty. See tariff.
<b>impound</b>	(law/customs) (a) To seize or hold. (b) To place in protective custody by order of a court (e.g., impounded property, impounded records).

Term	Definition
<b>in bond</b>	<p>(U.S. Customs) A procedure under which goods are transported or warehoused under customs supervision until they are either formally entered into the customs territory of the United States and duties paid, or until they are exported from the United States.</p> <p>The procedure is so named because the cargo moves under the carrier's bond (financial liability assured by the carrier) from the gateway sea port or airport and remains "in bond" until customs releases the cargo at the inland customs point.</p> <p>This procedure is used in several ways:</p> <p>(1) To postpone the payment of import duties on high duty merchandise, (such as alcoholic beverages), until they are needed,</p> <p>(2) To hold goods that may or may not meet a requirement of customs until a determination is made and the importer decides to enter the goods or re-export them,</p> <p>(3) To effect the transport of goods originating in one foreign country through the United States for export to a third country without having to pay customs duties.</p> <p>See temporary importation under bond.</p>
<b>in bond goods</b>	See in bond.
<b>in bond shipment</b>	(customs) An import or export shipment which has not been cleared by U.S. Customs officials. See in bond.
<b>in personam</b>	(law) Against the person. In personam jurisdiction, for example, is a court's authority in a legal action to subject a person to its order or judgment.
<b>in rem</b>	(law) Against the thing. In rem jurisdiction, for example, is a court's authority in a legal action to determine title to, or affect interests in, property of the parties.
<b>in transit cargo</b>	See transit cargo.
<b>in trust (goods/documents)</b>	(banking) In documentary collections, when a bank releases documents to the importer/buyer to allow him to inspect them prior to payment.
<b>in-bond system</b>	(U.S. Customs) A part of U.S. Customs' Automated Commercial System, controls merchandise from the point of unloading at the port of entry or exportation. The system works with the input of departures (from the port of unloading), arrivals, and closures (accountability of arrivals). See Automated Commercial System; in bond.
<b>in-flight survey (IFS)</b>	(U.S.) A survey of U.S. and foreign travelers departing the U.S. as a means of obtaining data on visitor characteristics, travel patterns and spending habits, and for supplying data on the U.S. international travel dollar accounts as well as to meet balance of payments estimation needs. The IFS covers about 70 percent of U.S. carriers and 35 percent of foreign carriers, who voluntarily choose to participate. Sample results are expanded to universe estimates to account for non response of passengers on each sampled flight, for coverage of all flights on each major airline route, and for all international routes. The basis for the expansion is the number of passengers departing the United States, obtained from the U.S. Citizenship and Immigration Services Bureau (formerly, the Immigration and Naturalization Service).
<b>in-the-money</b>	(foreign exchange) An option is in-the-money in the following cases: (1) Call option: market price is greater than the strike price; and (2) Put option: market price less than the strike price. For European options, replace the market price by the forward price of the underlying instrument on the expiry date of the option. See call option; put option; strike price; European option; out-of-the-money.

Term	Definition
<b>inbound logistics</b>	The entire process of planning, acquiring and controlling the flow of raw materials, components, parts, sub-assemblies and components from outside sources (vendors, suppliers and subsidiaries) into a production process. Inbound logistics can occur directly from the outside supplier to the production floor or indirectly through intermediate storage facilities. See logistics.
<b>incentive</b>	(economics) A motivational force that stimulates people to greater activity or increased efficiency.
<b>incentive rate</b>	(logistics) A special lower freight rate applied to large or heavy loads to encourage larger volume shipments.
<b>Inchmaree Clause</b>	(insurance) An insurance policy extension to cover loss resulting from a latent defect of the carrying vessel's hull or machinery which is not discoverable by due diligence. (So-called for a celebrated legal decision involving a vessel of that name.) Latent defect is not, by law, recoverable from the vessel owner, and the Inchmaree Clause thus plugs a gap that would otherwise exist in complete insurance protection. Loss resulting from errors of navigation or management of the vessel by the master or the crew, and for which the vessel owner is likewise relieved of liability by law, is also covered by the Inchmaree Clause. See special marine policy.
<b>income</b>	(economics) Money or its equivalent, earned or accrued, arising from the sale of goods or services.
<b>Incorporated (Inc.)</b>	(South Africa) Designation for a private limited liability corporation with limited liability to shareholders but with joint and several liability to the directors.  (United States) Designation for a corporation with limited liability to shareholders.
<b>Incoterms 2000</b>	(trade terms-obsolete as of December 31, 2010, see Incoterms 2010 below) A codification of international rules for the uniform interpretation of common contract clauses in export/import transactions involving goods. Developed and issued by the International Chamber of Commerce (ICC) in Paris. The thirteen Incoterms 2000 are:  (1) Ex Works (EXW),  (2) Free Carrier (FCA),  (3) Free Alongside Ship (FAS),  (4) Free On Board FOB),  (5) Cost and Freight CFR),  (6) Cost, Insurance and Freight (CIF),  (7) Carriage Paid To (CPT),  (8) Carriage and Insurance Paid To (CIP),  (9) Delivered At Frontier (DAF),  (10) Delivered Ex Ship (DES),  (11) Delivered Ex Quay (DEQ),

Term	Definition
	<p>(12) Delivered Duty Unpaid (DDU), and</p> <p>(13) Delivered Duty Paid (DDP).</p>
<p><b>Incoterms© 2010</b></p> <p><b>NOTE: Incoterms© 2020 WILL BE UPDATED AND SEPARATE GUIDANCE WILL BE PUBLISHED</b></p>	<p>(trade terms-enter into force January 1, 2011) A codification of international rules for the uniform interpretation of common contract clauses in export/import transactions involving goods. Developed and issued by the International Chamber of Commerce (ICC) in Paris. The eleven Incoterms 2010 are:</p> <p>(1) Ex Works (EXW),</p> <p>(2) Free Carrier (FCA),</p> <p>(3) Free Alongside Ship (FAS),</p> <p>(4) Free On Board FOB),</p> <p>(5) Cost and Freight CFR),</p> <p>(6) Cost, Insurance and Freight (CIF),</p> <p>(7) Carriage Paid To (CPT),</p> <p>(8) Carriage and Insurance Paid To (CIP),</p> <p>(9) Delivered At Terminal (DAT),</p> <p>(10) Delivered At Place (DAP), and</p> <p>(11) Delivered Duty Paid (DDP).</p> <p>Refer to individual listings for definitions of these terms. Also refer to the World Trade Press Illustrated Guide to Incoterms 2010 appendix in this book. For a book fully describing responsibilities of the seller and the buyer in each term, contact: International Chamber of Commerce (ICC); 38, Cours Albert 1er; 75008 Paris, France; Tel: [33] (1) 49-53-28-28; Fax: [33] (1) 49-53-28-59; Web: www.iccwbo.org. In U.S. contact: United States Council for International Business (USCIB); 1212 Avenue of the Americas, New York, NY 10036; Tel: [1] (212) 354-4480; Fax: [1] (212) 575-0327; E-mail: iccbooks@uscib.org; Web: http://uscib.org.</p>
<p><b>Incoterms© 2020</b></p>	<p><b>NOTE: TO BE UPDATED AND SEPARATE GUIDANCE WILL BE PUBLISHED</b></p>
<p><b>increased value (clause)</b></p>	<p>(insurance) Insurance policy clause that covers an increase in the value of property insured that may be subject to loss or damage.</p>
<p><b>indemnify</b></p>	<p>(insurance/law) To compensate for actual loss sustained. Many insurance policies and all bonds promise to "indemnify" the insureds. Under such a contract, there can be no recovery until the insured has actually suffered a loss, at which time he or she is entitled to be compensated for the damage that has occurred (i.e. to be restored to the same financial position enjoyed before the loss).</p>
<p><b>indemnity</b></p>	<p>(insurance/law) An agreement to reimburse another individual or legal entity who incurs a loss that is covered by the agreement. An indemnity against loss may be partial or whole. A buyer may obtain indemnity insurance, for example, to insure against</p>

Term	Definition
	<p>damage to or destruction of goods that may occur after title has passed to the buyer.</p> <p>(finance) A bond protecting the insured against losses from others failing to fulfill their obligations.</p> <p>(investments) An option to buy or sell a specific quantity of a stock at a state price within a given time period.</p> <p>(law) An act of legislation, granting exemption from prosecution to certain people.</p>
<b>independent action</b>	(shipping) The right of a conference member to depart from the common freight rates, terms or conditions of the conference without the need for prior approval of the conference. See conference.
<b>indexed currency borrowings</b>	(banking/finance) Borrowings in a foreign currency where the rate of interest is linked to an agreed scale.
<b>indexed currency option note</b>	(banking/finance) Note denominated and paying interest in one currency but whose redemption value is linked to an exchange rate for another currency. Also called Heaven and Hell Bond.
<b>individual validated license</b>	(U.S.) Written approval by the U.S. Department of Commerce granting permission, which is valid for 2 years, for the export of a specified quantity of products or technical data to a single recipient. Individual validated licenses also are required, under certain circumstances, as authorization for re export of U.S.-origin commodities to new destinations abroad. See United States Department of Commerce.
<b>indorsement</b>	See endorsement.
<b>industrial list</b>	The Coordinating Committee for Multilateral Export Controls (CoCom) industrial list contains dual-use items whose export are controlled for strategic reasons. See Coordinating Committee for Multilateral Export Controls.
<b>industrial policy</b>	(economics) Encompasses traditional government policies intended to provide a favorable economic climate for the development of industry in general or specific industrial sectors. Instruments of industrial policy may include tax incentives to promote investments or exports, direct or indirect subsidies, special financing arrangements, protection against foreign competition, worker training programs, regional development programs, assistance for research and development, and measures to help small business firms. Historically, the term industrial policy has been associated with some degree of centralized economic planning or indicative planning, but this connotation is not always intended by its contemporary advocates.
<b>Industry Consultations Program</b>	<p>(U.S.) An advisory committee structure created by the Trade Act of 1974, expanded by the Trade Agreements Act of 1979, and amended by the Omnibus Trade and Competitiveness Act of 1988. Jointly sponsored by the U.S. Department of Commerce and the U.S. Trade Representative, the program includes over 500 industry executives who provide advice and information to the U.S. government on trade policy matters. The advisors focus on objectives and bargaining positions for multilateral trade negotiations, bilateral trade negotiations, and other trade-related matters. Members of the committees are appointed by the Secretary of Commerce and the U.S. Trade Representative.</p> <p>The present structure consists of 17 Industry Sector Advisory Committees (ISACs), 3 Industry Functional Advisory Committees (IFACs), a Committee of Chairs, and an Industry Policy Advisory Committee (IPAC). The focus of the 3 Functional Advisory Committees are: (1) Customs Matters, (2) Standards, and (3) Intellectual Property Rights.</p> <p>The focus of the 17 Industry Sector Advisory Committees are: (1) Aerospace Equipment, (2) Capital Goods, (3) Chemicals and Allied Products, (4) Consumer Goods, (5) Electronics and Instrumentation, (6) Energy, (7) Ferrous Ores and Metals, (8) Footwear, Leather, and Leather Products, (9) Building Products and Other Materials, (10) Lumber and Wood Products, (11) Nonferrous Ores and Metals, (12) Paper and Paper Products, (13) Services, (14) Small and Minority Business, (15) Textiles and</p>

Term	Definition
	Apparel, (16) Transportation, Construction, and Agricultural Equipment, (17) Wholesaling and Retailing. See Advisory Committee on Trade Policy and Negotiations.
<b>Industry Functional Advisory Committee</b>	See Industry Consultations Program.
<b>Industry Partnership Programs (IPP)</b>	<p>(United States) A series of U.S. Customs and Border Protection (CBP) programs designed to engage the international trade community in a cooperative relationship with CBP in the war on drugs and terrorism. The IPP promotes the importance of employing best business practices and enhanced security measures to eliminate the trade's exposure to narcotic smugglers and vulnerability to terrorist actions. The IPP proactively works with foreign manufacturers, exporters, carriers, importers, and many other industry sectors emphasizing a seamless security conscience environment throughout the entire commercial process.</p> <p>Currently, the CBP has three active Industry Partnership Programs that are designed to deter and prevent narcotics smuggling and terrorist activities via commercial cargo and conveyances, which include the Carrier Initiative Program (CIP), the Business Anti-Smuggling Coalition (BASC) and the Americas Counter Smuggling Initiative (ACSI). For more information contact the CBP Industry Partnership Programs at: Tel: [1] (202) 927-0520; Web: <a href="http://www.cbp.gov/xp/cgov/trade/cargo_security/carriers/ipp.xml">www.cbp.gov/xp/cgov/trade/cargo_security/carriers/ipp.xml</a>.</p>
<b>Industry Policy Advisory Committee</b>	See Industry Consultations Program.
<b>Industry Sector Advisory Committee</b>	See Industry Consultations Program.
<b>Industry Subsector Analysis</b>	<p>(U.S.) Overseas market research for a given industry subsector (such as cardiological equipment for the medical equipment industry) that presents basic information about a foreign market such as market size, the competitive environment, primary end users, best prospect products, and market access information. Available as individual reports from the U.S. Department of Commerce, or on the National Trade Data Bank; U.S. Department of Commerce; Office of Business Analysis, HCHB Room 4885; Washington, DC 20230 USA; Tel: [1] (202) 482-1986; Web: infant industry argument</p> <p>(economics) The view that "temporary protection" for a new industry or firm in a particular country through tariff and non-tariff barriers to imports can help it to become established and eventually competitive in world markets. Historically, new industries that are soundly based and efficiently operated have experienced declining costs as output expands and production experience is acquired. However, industries that have been established and operated with heavy dependence on direct or indirect government subsidies have sometimes found it difficult to relinquish that support. The rationale underlying the Generalized System of Preferences is comparable to that of the infant industry argument. See Generalized System of Preferences.</p>
<b>inflammable</b>	See flammable.
<b>inflammable liquids</b>	See flammable liquids.
<b>inflation</b>	(economics) Loss of purchasing power of money, caused by growth of the amount of money in circulation which, if the supply of goods stays the same or only increases at a slower rate, leads to an increase in prices.
<b>informal entry</b>	(US Customs) A simplified import entry procedure accepted at the option of Customs for any noncommercial shipment (baggage) and any commercial shipment not over \$1,000 in value. See entry.
<b>informed compliance</b>	(US Customs) A shared responsibility wherein the US Customs Service effectively communicates its requirements to the trade, and the people and businesses subject to those requirements conduct their regulated activities in conformance with US laws and regulations.
<b>infrastructure</b>	(economics) The basic structure of a nation's economy, including transportation, communications, and other public services, on which the economic activity relies.

Term	Definition
<b>inherent vice</b>	<p>(shipping/insurance) Damage to goods which one can foresee as bound to occur during any normal transit, and which arises solely because of the nature or condition of the goods shipped. Such damage is said to arise from "inherent vice" which may be defined as an internal cause rather than an external cause of damage. An example of damage from inherent vice is deterioration of imperfectly cured skins.</p> <p>Exclusion of insurance coverage for inherent vice is implied in every cargo policy. This type of exclusion is reinforced by the words "from any external cause" in the "all risks" coverage. The word "risk" itself implies that only fortuitous losses are intended to be covered. In other words, insurance protects against hazards, not certainties.</p> <p>Inherent vice clauses also include exclusions for ordinary leakage, ordinary loss in weight or volume, or ordinary wear and tear of the subject-matter insured.</p> <p>Examples of inherent vice risks include:</p> <ul style="list-style-type: none"> <li>Ordinary leakage</li> <li>Ordinary loss in weight or volume</li> <li>Ordinary wear and tear</li> <li>Insufficient packaging</li> <li>Unsuitable packaging</li> <li>Normal loss of weight due to evaporation (trade loss)</li> </ul> <p>Note that in shipping and insurance, packing is considered to be an integral part of the item(s) shipped, and damage to the original packing is covered by such exclusions..</p>
<b>initial margin</b>	(finance/foreign exchange) The amount of margin which has to be deposited with the clearing house both by the buyer and the seller through the respective broker and/or bank in order to establish a position in a futures contract.
<b>initial negotiating right (INR)</b>	(WTO) A right held by a World Trade Organization (WTO) country to seek compensation for an impairment of a given bound tariff rate by another WTO country. INRs stem from past negotiating concessions and allow the INR holder to seek compensation for an impairment of tariff concessions regardless of its status as a supplier of the product in question. See World Trade Organization (WTO).
<b>injury</b>	(U.S.) A finding by the U.S. International Trade Commission that imports are causing, or are likely to cause, harm to a U.S. industry. An injury determination is the basis for a Section 201 case. It is also a requirement in all antidumping and most countervailing duty cases, in conjunction with Commerce Department determinations on dumping and subsidization. See dumping; countervailing duty; Section 201.
<b>inland bill of lading</b>	(shipping) A bill of lading used in transporting goods overland to the exporter's international carrier. Although a through bill of lading can sometimes be used, it is usually necessary to prepare both an inland bill of lading and an ocean bill of lading for export shipments. See bill of lading.
<b>inland carrier</b>	(shipping) A transportation line which hauls import/export traffic between ports and inland points.

<b>Term</b>	<b>Definition</b>
<b>Inland Pre-Arrival Review System (InPARS)</b>	(Canada Customs) See Pre-Arrival Review System (PARS).
<b>InPARS</b>	(Canada Customs) See Pre-Arrival Review System.
<b>insolvency</b>	See bankruptcy.
<b>insourcing</b>	<p>(logistics) The sourcing of raw materials, component parts and finished goods from within a business organization. The opposite of outsourcing. The term is used in two ways:</p> <p>1) The location and acquisition of services, specialized skills, raw materials, or manufacturing capabilities from an internal department, division, or subsidiary of a company. Insourcing generally refers to services, but can also include materials, component parts, or manufacturing capabilities. This meaning includes bringing back 'in-house' a previously outsourced process, or back-sourcing. Insourcing has the advantages of:</p> <ul style="list-style-type: none"> <li>Maintaining control over a process, patents, intellectual property, and specialized knowledge</li> <li>Using existing internal resources and capabilities</li> <li>Reducing costs or keeping profits within a company</li> </ul> <p>Examples of insourcing (a) include:</p> <ul style="list-style-type: none"> <li>The purchase of raw materials from a wholly owned subsidiary</li> <li>The purchase of intermediate products or component parts from another division of a company</li> <li>One department's use of the creative services of another department of the same company</li> </ul> <p>2) The movement of jobs into a country from a foreign company. Also more conventionally known as foreign direct investment. In this context, what is outsourced from one country is insourced to another. From the standpoint of the company creating the jobs, this is simply production offshoring. However, from the standpoint of the country gaining the jobs, it is insourcing.</p> <p>See outsourcing.</p>
<b>inspection certificate</b>	A document confirming that goods have been inspected for conformity to a set of industry, customer, government or carrier specifications prior to shipment. Inspection certificates are generally obtained from independent, neutral testing organizations.
<b>Institute Cargo Clauses A, B, and C</b>	(insurance) Marine cargo insurance clauses standardized by the Institute of London Underwriters in 1982 and updated in 2009. Institute cargo clauses have generally taken the place of the historic All Risk (Clause A), With Average (Clause B), and Free of Particular Average (Clause C) marine insurance clauses internationally, while the historic clauses are still in use in the US. See the Guide to Cargo Insurance section.
<b>instrument</b>	(law) Any written document that gives formal expression to a legal agreement or act. See financial instrument.
<b>instruments of international traffic (IIT)</b>	(shipping/logistics) Empty shipping articles such as pallets, tanks, cores, containers and the like.
<b>insulated container</b>	(logistics) A shipping container designed to protect sensitive cargo from extremes in temperature. These containers are not heated or refrigerated, but can, for a limited time, keep inside temperatures from exceeding certain limits. Such containers are

Term	Definition
	often used to transport electronics, electronic equipment, ammunition, some foods and other sensitive goods. See container, and the appendix "Guide to Ocean Freight Containers."
<b>insurable interest</b>	<p>(insurance) The valid, determinable, and direct economic stake of an individual in the continued existence or safety of an insured person or property. A policy holder or beneficiary must stand to suffer a direct financial loss if the event against which insurance is purchased occurs.</p> <p>An individual or business entity can have insurable interest in property even if it is not the owner.</p> <p>A typical case of insurable interest is where title to goods has passed from the seller to the buyer, but where the seller has yet to receive payment, and still has exposure for loss.</p> <p>Example 1: When a seller sells on FOB inland point terms, he transfers the title to the buyer before the commencement of the ocean voyage. In this case the obligation to place marine and war risk insurance rests, strictly speaking, with the buyer. However, it is customary in many trades for the seller on FOB terms (or similar terms), to obtain insurance, as well as ocean freight space, for account of the buyer.</p> <p>This is, in effect, an agency relationship. It can be provided for by a policy clause reading: "to cover all shipments made by or to the assured for their own account as principals, or as agents for others and in which they have an insurable interest, or for the account of others from which written instructions to insure them have been received prior to any known or reported loss, damage or accident prior to sailing of vessel."</p> <p>Example 2: The seller on FOB or other terms, under which the title passes to the buyer at some inland point of departure, will have a financial interest in the goods until payment has been received. This situation arises when the terms of payment call for sight draft against documents, or for acceptance at 30-60-90 days sight, or for open account. Under such circumstances, the seller will be well advised to place his own insurance to protect himself in the event that the loss or damage to the shipment impairs the buyer's desire to make payment as originally contemplated. For example, the buyer may be uninsured, or the buyer's coverage may be inadequate because of under-insurance or restricted conditions. The buyer's insurance company may be less liberal in loss adjustments than would the insurer of the seller or, because of currency restrictions, a foreign company may be hampered in its ability to transmit funds. See contingency insurance.</p>
<b>insurance</b>	<p>(insurance) A form of risk management where individuals, businesses, and other organizations, in exchange for the payment of a sum of money (a premium), to an insurance company, are given compensation for losses resulting from certain perils under specified conditions.</p> <p>(law) A contractual relationship that exists when one party (the insurer), for a consideration (the premium), agrees to reimburse another party (the insured) for loss to a specified subject (the risk) caused by designated contingencies (hazards or perils), or to pay in behalf of the insured all reasonable sums for which he may be liable to a third party (the claimant).</p>
<b>insurance agent</b>	(insurance) An individual who represents and sells the services of a single insurance company. See insurance broker.
<b>insurance broker</b>	<p>(insurance) An individual or firm who represents and sells the services of a number of insurance companies. Brokers can operate independently, or as part of a freight forwarding or logistics firm. See insurance agent.</p> <p>An insurance agent represents a single insurance company whereas an insurance broker is free to obtain insurance coverage for clients from any insurance company.</p>

<b>Term</b>	<b>Definition</b>
<b>insurance certificate</b>	<p>(insurance) A document indicating the type and amount of insurance coverage in force on a particular shipment. Used to assure the consignee that insurance is provided to cover loss of or damage to the cargo while in transit.</p> <p>In some cases a shipper may issue a document that certifies that a shipment has been insured under a given open policy, and that the certificate represents and takes the place of such open policy, the provisions of which are controlling.</p> <p>Because of the objections that an instrument of this kind did not constitute a "policy" within the requirements of letters of credit, it has become the practice to use a special marine policy. A special marine policy makes no reference to an open policy and stands on its own feet as an obligation of the underwriting company.</p> <p>See special marine policy, insurance document, insurance declaration, bordereau, open policy.</p>
<b>insurance claim</b>	(insurance) A demand for compensation from an insurance company, or its agent, for a loss which may be covered, in whole or in part, by an insurance policy.
<b>insurance company</b>	<p>(insurance) A firm that, for a fee (the premium), agrees to issue an insurance policy and pay any claim that may arise from loss, delay, or damage covered by the terms and conditions of the insurance policy.</p> <p>(United States) In the United States, insurance companies are usually classified as fire and marine, life, casualty, and surety companies and may write only the kinds of insurance for which they are specifically authorized by their charters.</p>
<b>insurance coverage</b>	(insurance) The total amount and type of insurance that is carried for a particular risk.
<b>insurance declaration</b>	(insurance) A paper or electronic form used to report a single shipment to an insurance company under the terms of an open insurance policy.
<b>insurance document</b>	(insurance) An insurance policy, special marine policy, open cover insurance policy, or insurance certificate.
<b>insurance policy</b>	(insurance) The legally binding contract between an insurance company and the insured that defines the terms and conditions of coverage, as well as exclusions and endorsements.
<b>insurance premium</b>	(insurance) The amount paid to an insurance company for coverage under an insurance policy.
<b>insured</b>	<p>(insurance) The person(s) protected under an insurance contract (policy).</p> <p>The individual or business entity that pays a premium to an insurance company and whose risks are mitigated by an insurance policy. The insured must have an "insurable interest" in the risk being insured and, in the case of marine insurance, be able to provide information about the cargo, vessel, vehicles, and voyage in question. It is the responsibility of the insured to procure the proper amounts and type of insurance prudent for each situation and to make timely payments of the insurance premiums. It is also incumbent upon the insured to know and understand the policy including the exclusions as defined by the policy.</p>
<b>insured value</b>	(insurance) The combined value of merchandise, inland freight, ocean freight, cost of packaging, freight forwarding charges, consular fees, and insurance cost, for which insurance is obtained.
<b>insurer</b>	(insurance) The party to the insurance contract who promises to indemnify losses or provide service; the insurance company.
<b>integrated cargo service</b>	(shipping) A blend of all segments of the cargo system providing the combined services of carrier, forwarder, handlers and agents.
<b>integrated carriers</b>	(shipping) Carriers that have both air and ground fleets; or other combinations, such as sea, rail, and truck. Since they usually handle large volumes, they are often less expensive and offer more diverse services than regular carriers.
<b>integrated logistics</b>	(shipping/management) The management of logistics operations as a system rather than as individual activities. Relates to the integration of the entire supply chain management process from just-in-time manufacturing/warehousing through final

<b>Term</b>	<b>Definition</b>
	distribution to the ultimate consumer. Includes the merging of warehousing, packaging, local transportation, international transportation, local market warehousing and final distribution. See logistics.
<b>integrated logistics support (ILS)</b>	(logistics) The process of ensuring that all requirements for a logistics system are met. This encompasses all aspects of the supply chain and includes planning, funding, facilities, personnel, hardware and software.
<b>intellectual property</b>	(law) An original work that can be copyrighted, patented, or registered as a trademark or service mark. Ownership conferring the right to possess, use, or dispose of products created by human ingenuity, including patents, trademarks and copyrights. See copyright; patent; service mark; trademark.
<b>intellectual property rights</b>	(law) The ownership of the right to possess or otherwise use or dispose of products created by human ingenuity. See copyright; patent; service mark; trademark.
<b>INTELSAT</b>	See International Telecommunications Satellite Organization.
<b>intended</b>	(shipping) A reference which may appear on marine/ocean bills of lading, non-negotiable sea waybills and multimodal transport documents where the carrier reserves the right to change the port of loading, the ship or the port of discharge. Examples: "intended port of shipment Hamburg," "intended ocean vessel MV Swissahoi," "intended port of discharge Hong Kong."
<b>inter absentee</b>	(law) Among absent parties. An inter absentee contract, for example, is made between parties who do not meet face-to-face.
<b>Inter-American Development Bank</b>	A regional financial institution established in 1959 to advance the economic and social development of 27 Latin American member countries. Contact: Inter-American Development Bank; 1300 New York Avenue NW; Washington, DC 20577; Tel: [1] (202) 623-1000; Web: www.iadb.org.
<b>Interagency Group on Countertrade</b>	(U.S.) Established in December 1988 under Executive Order 12661, reviews policy and negotiates agreements with other countries on countertrade and offsets. The IGC operates at the Assistant Secretary level, with the Department of Commerce as chair. Membership includes 11 other agencies: the Departments of Agriculture, Defense, Energy, Justice, Labor, State, Treasury, the Agency for International Development, the Federal Emergency Management Agency, the U.S. Trade Representative, and the Office of Management and Budget. Contact: Assistant Secretary of Trade Development; U.S. Department of Commerce; 14th Street and Constitution Ave. NW; Washington, DC 20230 USA; Tel: [1] (202) 482-1461. See countertrade; offsets.
<b>interbank dealings</b>	(banking) Dealings between the banks.
<b>interbank offered rate (IBOR)</b>	(banking/finance) Rate of interest offered by banks for their loans to the most creditworthy banks for a large loan, for a specific period and in a specific currency. The best known one is the London Interbank Offered Rate (LIBOR), but they also exist for Abu Dhabi (ADIBOR), Amsterdam (AIBOR), Bahrain (BIBOR), Brussels (BRIBOR), Hong Kong (HIBOR) or (HKIBOR), Kuwait (KIBOR), Luxembourg (LUXIBOR), Madrid (MIBOR), Paris (PIBOR) (occasionally known as taux interbancaire offert à Paris - TIOP), Saudi Arabia (SAIBOR), Singapore (SIBOR), 6 month SDRs (SDRIBOR), Zurich (ZIBOR) and other financial centers.
<b>interchange</b>	(logistics) (a) The transfer of freight from one carrier to another. (b) The transfer of transportation equipment from one carrier to another.  (data/computers) The transfer of electronic data from one computer to another. See EDI, UN/EDIFACT.
<b>interchange agreement</b>	(shipping) An agreement which fixes specific accountability for use and maintenance of carrier-owned equipment. It formalizes terms and conditions under which equipment will be leased, in order to protect the carrier's financial and legal interest in the operation of the leased equipment.
<b>interchange point</b>	(transportation/logistics) A location where one carrier delivers freight or freight transportation equipment to another carrier. See interchange, interchange agreement, interchange receipt.
<b>interchange receipt</b>	(logistics) A document that states the condition of equipment at the time of interchange. See interchange agreement, interchange point.

<b>Term</b>	<b>Definition</b>
<b>intercoastal carrier</b>	(shipping) A carrier that transports cargo between ports of one nation.  (U.S. shipping) A carrier that transports cargo between U.S. east and west coast ports. Refers specifically to water carriers that travel through the Panama Canal.
<b>intercorporate hauling</b>	(logistics) The act of a carrier transporting cargo for a subsidiary and charging a fee.  (U.S. logistics) Intercorporate hauling is legal in the U.S. if the subsidiary is wholly owned by the carrier or if the carrier has common-carrier authority.
<b>Interessantelskab (I/S)</b>	(Denmark, Norway) Designation for a general partnership, in which all partners have joint and several liability.
<b>interest arbitrage</b>	(banking) The attempt to make a profit out of differing interest rates for various maturities and/or various instruments. See arbitrage.
<b>interline shipping</b>	(shipping) The movement of a single shipment of freight via two or more carriers. See intermodal; coordinated movement; intermodal compatibility.
<b>interlocutory</b>	(law) Temporary or interim. An interlocutory injunction, for example, may be granted pending trial as a temporary restraint against a party before final judgment is rendered.
<b>intermediate consignee</b>	A bank, forwarding agent, or other intermediary (if any) which acts in a foreign country as an agent for the exporter, the purchaser, or the ultimate consignee, for the purpose of effecting delivery of the export to the ultimate consignee.
<b>intermediate products</b>	Goods and services consumed as inputs by a process of production, excluding fixed assets.
<b>intermodal compatibility</b>	(shipping) The capability which enables a shipment to be transferred from one form of transport to another, as from airplane to highway truck, to railway freight car, to ocean vessel.
<b>intermodal marketing company (IMC)</b>	(logistics) A shipping intermediary that acts as a broker by arranging, buying and selling intermodal freight services. IMCs are not carriers.
<b>intermodal transport</b>	(shipping) The coordinated transport of freight, especially in connection with relatively long-haul movements using any combination of freight forwarders, piggyback, containerization, air-freight, ocean freight, assemblers, motor carriers.
<b>International Air Transport Association (IATA)</b>	A trade association serving airlines, passengers, shippers, travel agents, and governments. IATA is the organization that administers the 3-letter IATA airport codes. Contact: International Air Transport Association; 800 Place Victoria; P.O. Box 113; Montreal, Quebec; H4Z 1M1 Canada; Tel: [1] (514) 874-0202; Web: www.iata.org.
<b>International Anticounterfeiting Coalition</b>	A non-profit organization located in Washington, DC that seeks to advance intellectual property rights protection on a worldwide basis by promoting laws, regulations, and directives designed to render theft of intellectual property rights unattractive and unprofitable. Contact: International Anticounterfeiting Coalition; 1730 M Street, NW; Suite 1020; Washington, DC 20036 USA; Tel: [1] (202) 223-6667; Web: www.iacc.org.
<b>International Atomic Energy Agency (IAEA)</b>	The primary international organization that enforces a system of safeguards to ensure that non-nuclear weapons states do not divert shipments of sensitive equipment from peaceful applications to the production of nuclear weapons. Before a supplier state of nuclear materials or equipment may approve an export to a non-nuclear weapons NPT (Nuclear Non-Proliferation Treaty) signatory state, it must receive assurances that the recipient will place the material under IAEA safeguards. Subsequent to shipment, the recipient state must allow IAEA officials to verify the legitimate end use of the exported materials or equipment.  IAEA, established in July 1957, gives advice and technical assistance to developing countries on nuclear power development, nuclear safety, radioactive waste management, and related efforts. Safeguards are the technical means applied by the IAEA to verify that nuclear equipment or materials are used exclusively for peaceful purposes. Contact: International Atomic Energy

Term	Definition
	Agency, Vienna International Centre, Wagramer Strasse 5, A-1400, P.O. Box 100, Vienna, Austria; Tel: [43] (1) 2600-0; Web: www.iaea.org.
<b>International Bank for Reconstruction and Development (The World Bank)</b>	(banking) The International Bank for Reconstruction and Finance (IBRF) was proposed at Bretton Woods on July 1944, commencing operation in June 1946. Originally established to help countries reconstruct their economies after World War II. IBRD, commonly referred to as the World Bank, now assists developing member countries by lending to government agencies, or by guaranteeing private loans for such projects as agricultural modernization or infrastructural development. Contact: The World Bank; 1818 H Street NW; Washington, DC 20433 USA; Tel: [1] (202) 473-1000; Web: www.worldbank.org. See International Monetary Fund; World Bank; World Bank Group.
<b>international banking facility (IBF)</b>	(U.S.) One of four categories of foreign banking in the United States. An IBF is a set of asset and liability accounts that is segregated and limited to financing international trade.
<b>International Buyer Program</b>	(U.S.) (Formerly Foreign Buyer Program) A joint industry-U.S. International Trade Administration program to assist exporters in meeting qualified foreign purchasers for their product or service at trade shows held in the United States. ITA selects leading U.S. trade shows in industries with high export potential. Each show selected for the FBP receives promotion through overseas mailings, U.S. embassy and regional commercial newsletters, and other promotional techniques. ITA trade specialists counsel participating U.S. exhibitors. Contact: International Buyer Program; International Trade Administration; Department of Commerce; Washington, DC 20230 USA.
<b>International Center for Settlement of Investment Disputes (ICSID)</b>	(banking) A separate organization of the World Bank which encourages greater flows of investment capital by providing facilities for the conciliation and arbitration of disputes between governments and foreign investors. The ICSID also conducts and publishes research in foreign-investment law. Contact: ICSID; 1818 H Street NW, MSN U3-301, Washington, DC 20433 USA; Tel: [1] (202) 458-1534; Web: <a href="http://icsid.worldbank.org/ICSID/">http://icsid.worldbank.org/ICSID/</a> .
<b>International Chamber of Commerce (ICC)</b>	<p>A non-governmental organization serving as a policy advocate for world business. Members in 110 countries comprise tens of thousands of companies and business organizations. The ICC aims to facilitate world trade, investment, and an international free market economy through consultation with other inter-governmental organizations.</p> <p>The ICC was founded in Atlantic City in 1919. It now encompasses associations and companies from all branches of industry. As an institution of international economic self-administration, it operates through expert commissions, sub-committees and working groups to address questions which are of importance for the international business community. These include, for example, contract and delivery clauses (Incoterms); standardization of means of payment, (Uniform Rules for Collection, Uniform Customs and Practice for Documentary Credits, Uniform Rules for Demand Guarantees); arbitral jurisdiction (Rules of Conciliation and Arbitration); questions relating to such issues as competition, foreign investments, and transportation.</p> <p>The ICC also offers various services to the business community such as the ATA Carnet system. The ICC publishes many books and references which are valuable to the international trade community. Contact: International Chamber of Commerce (ICC); 38 Cours Albert 1<sup>er</sup>; 75008 Paris, France; Tel: [33] (1) 49-53-28-28; Fax: [33] (1) 49-53-28-59; Web: <a href="http://www.iccwbo.org">www.iccwbo.org</a>; For U.S. representative, contact: United States Council for International Business (USCIB); 1212 Avenue of the Americas, 18th floor; New York, NY 10036; Tel: [1] (212) 354-4480; Fax: [1] (212) 575-0327; E-mail: <a href="mailto:iccbooks@uscib.org">iccbooks@uscib.org</a>. Refer to the Resources Appendix for a list of ICC publications.</p>
<b>International Cocoa Agreement</b>	See international commodity agreement.
<b>International Coffee Agreement</b>	See international commodity agreement.

Term	Definition
<b>international commodity agreement</b>	An international understanding, usually reflected in a legal instrument, relating to trade in a particular basic commodity, and based on terms negotiated and accepted by most of the countries that export and import commercially significant quantities of the commodity. Some commodity agreements (such as exists for coffee, cocoa, natural rubber, sugar, and tin) center on economic provisions intended to defend a price range for the commodity through the use of buffer stocks or export quotas or both. Other commodity agreements (such as existing agreements for jute and jute products, olive oil, and wheat) promote cooperation among producers and consumers through improved consultation, exchange of information, research and development, and export promotion.
<b>International Communications Satellite Organization (Intelsat)</b>	The organization formed under a multilateral agreement which owns, maintains, and operates the global satellite system used by over 100 participating countries. COMSAT is the United States' representative to and participant in Intelsat. Contact: International Communications Satellite Organization (Intelsat); 3400 International Drive NW; Washington, DC 20008-3098 USA; Tel: [1] (202) 944-6800; Fax: [1] (202) 944-7898; Web: www.intelsat.com.
<b>International Company Profile (ICP)</b>	(U.S. Dept. of Commerce) A fee-based service that provides a background report on a specific foreign firm, prepared by U.S. commercial officers overseas. ICPs provide information about the type of organization, year established, relative size, number of employees, general reputation, territory covered, language preferred, product lines handled, principal owners, financial references, and trade references. ICPs include narrative information about the reliability of the foreign firm. Cost is \$100 per report. Issued by the ITA. To obtain an International Company Profile, contact the nearest Department of Commerce district office, or call [1] (800) USA-TRADE.
<b>International Container Bureau (BIC)</b>	<p>Translation of the French: Bureau International des Containers et du Transport Intermodal, or BIC. The BIC is the international body that oversees standards for intermodal containers, including the container identification and numbering standards established by the ISO in ISO 6346.</p> <p>The goal of the organisation is to promote cooperations between corporations, government units and independent organisations relating to intermodal freight transport, the process of containerization, and the transport and handling of shipping containers.</p> <p>BIC was established in 1933 as "Bureau International des Containers" by the International Chamber of Commerce (I.C.C.) in order to make business people sensitive to the development of international, and thus intermodal, transport and its practical aspects. The organization played a major part in the organization of maritime transportation with containers since the early 1960s, mainly dealing with: technical control, strength, coding, identification and marking of containers, and more generally the facilitation of commercial exchanges.</p> <p>In the early 1970s BIC was involved with standardization of the marking of containers with an alphanumeric owners' code, the "BIC-CODE" system. In 1972, the International Organization for Standardization (ISO) adopted it and handed over to BIC the exclusive management of the allocation of the BIC-CODES for international container transport and the updating of its official Register of owners codes.</p> <p>Contact: Bureau International des Containers et du Transport Intermodal, 38, rue des Blancs Manteaux, 75004 Paris, France, Tel : 33. 1 47 66 03 90, Web: www.bic-code.org.</p>
<b>International Dairy Agreement</b>	See international commodity agreement.
<b>International Development Association (IDA)</b>	An affiliate of the World Bank Group that was created in 1959 to lend money to developing countries at no interest and for a long repayment period. By providing development assistance through soft loans, IDA meets the needs of many developing countries that cannot afford development loans at ordinary rates of interest and in the time span of conventional loans. Contact:

Term	Definition
	International Development Association; World Bank; 1818 H Street NW; Washington, DC 20433 USA; Tel: [1] (202) 473-1000; Fax:[1] (202) 477-6391; Web: www.worldbank.org/ida.
<b>International Electrotechnical Commission (IEC)</b>	The IEC was established in 1906 to deal with questions related to international standardization in the electrical and electronic engineering fields. The members of the IEC are the national committees, one for each country, which are required to be as representative as possible of all electrical interests in the country concerned: manufacturers, users, governmental authorities, teaching, and professional bodies. They are composed of representatives of the various organizations which deal with questions of electrical standardization at the national level. Most of them are recognized and supported by their governments. Contact: International Electrotechnical Commission; 3 rue de Varembe; PO Box 131; 1211 Geneva 20, Switzerland; Tel: [41] (22) 919-02-11; Web: www.iec.ch.
<b>International Emergency Economic Powers Act (IEEPA)</b>	(U.S. law) The IEEPA was enacted in 1977 to extend emergency powers previously granted to the president by the Trading with the Enemy Act of 1917 (which still authorized the president to exercise extraordinary powers when the United States is at war). IEEPA enables the president, after declaring that a national emergency exists because of a threat from a source outside the United States, to investigate, regulate, compel or prohibit virtually any economic transaction involving property in which a foreign country or national has an interest.
<b>International Energy Agency (IEA)</b>	The IEA was founded in 1974 as a forum for energy cooperation among 21 member nations. The IEA helps participating countries prepare to reduce the economic risks of oil supply disruptions and to reduce dependence on oil through coordinated and cooperative research efforts. Headquarters Contact: International Energy Agency; 9 rue de la Fédération; 75739 Paris Cedex 15, France; Tel: [33] (1) 40 57 65 00; Web: www.iea.org.
<b>International Federation of Freight Forwarders Associations (FIATA)</b>	(logistics) The world's largest non-governmental trade organization in the field of transportation and logistics. FIATA's objectives are to unite the freight-forwarding industry worldwide, represent and promote the interests of the industry with other international organizations, disseminate information, offer publications about the industry to members and to the public, promote uniform forwarding documents, assist in vocational training, help develop tools for electronic commerce including electronic data interchange (EDI) and promote standard trading conditions. Contact: FIATA Secretariat; Schaffhauserstrasse 104; P.O. Box 364; CH-8152 Glattbrugg, Switzerland; Tel: [41] (43) 211 65 00; Web: www.fiata.com.
<b>International Finance Corporation (IFC)</b>	The IFC was established in 1956 as a member of the World Bank Group. The IFC promotes capital flow into private investment in developing countries. Contact: International Finance Corporation; 2121 Pennsylvania Ave. NW; Washington, DC 20433 USA; Tel: [1] (202) 473-1000; Fax: [1] (202) 974-4384; Web: www.ifc.org. See World Bank Group.
<b>International Frequency Registration Board (IFRB)</b>	An organizational entity under the International Telecommunication Union (ITU). Located in Geneva, IFRB is composed of five full-time elected officials with a rotating chairmanship. IFRB maintains the International Frequency Register, monitors and analyzes all ITU records of frequency use around the world, and makes determinations as to whether or not certain systems are in compliance with the Radio Regulations. See International Telecommunications Union.
<b>international health certificate</b>	An internationally-recognized document issued by a program-certified veterinarian and verified by an authorized national entity attesting that an animal or animals have been visually or comprehensively tested and have been found free of evidence of disease and pests except as noted. International health certificates are usually required for the importation or exportation of animals, especially pets.
<b>international investment</b>	See foreign direct investment in the U.S.
<b>International Jute Agreement</b>	See international commodity agreement.
<b>International Labor Organization (ILO)</b>	The ILO, set up in 1919, became a specialized agency of the United Nations in 1946. The ILO seeks to promote improved working and living conditions by establishing standards that reduce social injustice. Contact: International Labor Organization; 4, rue des Morillons; CH-1211, Geneva 22, Switzerland; Tel: [41] (22) 799-6111; Web: www.ilo.org.

Term	Definition
<b>international landing rights</b>	See Freedoms of the Air.
<b>international load line</b>	See Plimsoll mark.
<b>International Maritime Dangerous Goods Code (IMDG)</b>	<p>The IMDG Code, which was first published in 1965, has become the standard guide to all aspects of handling dangerous goods and marine pollutants in sea transport. Although the information in the Code is directed primarily at the mariner, its provisions affect a whole range of industries and services including manufacturers, packers, shippers, feeder services such as road and rail, and port authorities.</p> <p>The IMDG Code lays down basic principles and offers detailed recommendations for individual substances, materials and articles, and a number of recommendations for good operational practice including advice on terminology, packing, labelling, stowage, segregation and handling, and emergency response action.</p> <p>Available from the International Maritime Organization; 4 Albert Embankment; London SE1 7SR; U.K.; Tel: [44] (20) 7735-7611; Web: www.imo.org.</p>
<b>International Maritime Organization (IMO)</b>	The International Maritime Organization, IMO, was established as a specialized agency of the United Nations in 1948. The IMO facilitates cooperation on technical matters affecting merchant shipping and traffic. It publishes "Guidelines for Packing and Securing Cargoes in Containers for Transport by Land or Sea" (Container Packing Guidelines). Contact: International Maritime Organization; 4 Albert Embankment; London SE1 7SR; UK; Tel: [44] (20) 7735-7611; Web: www.imo.org.
<b>International Maritime Satellite Organization (IMSO or INMARSAT)</b>	An international partnership of signatories from 62 nations. The partnership provides mobile satellite capacity to its signatories, who, in turn, use the capacity to provide worldwide mobile satellite services to their maritime, aeronautical and land-mobile customers--including shipping, cruise, fishing, research and offshore exploration industries, and airlines. INMARSAT began service in 1976. COMSAT is the U.S. signatory to INMARSAT. Contact: International Maritime Satellite Organization, 99 City Road, London EC1Y 1AX, U.K.; Tel: [44] (20) 7728-1777; Fax: [44] (20) 7728-1142; Web: www.inmarsat.com.
<b>International Market Insights (IMI)</b>	(U.S.) Reports prepared by staff at American embassies and consulates covering developments in a single country that are of interest to traders and investors. Topics may include: new laws, policies and procedures, new trade regulations, and marketplace changes. Available as individual reports from the Department of Commerce.
<b>international market research</b>	See Industry Subsector Analysis.
<b>International Monetary Fund (IMF)</b>	<p>(banking/finance/foreign exchange) An international financial institution proposed at the 1944 Bretton Woods Conference and established in 1946 that seeks to stabilize the international monetary system as a sound basis for the orderly expansion of international trade. Specifically, among other things, the Fund monitors exchange rate policies of member countries, lends them foreign exchange resources to support their adjustment policies when they experience balance of payments difficulties, and provides them financial assistance through a special "compensatory financing facility" when they experience temporary shortfalls in commodity export earnings. Membership in the fund is a prerequisite to membership in the International Bank for Reconstruction and Development. Contact: International Monetary Fund; 700 19th Street NW; Washington, DC 20431 USA; Tel: [1] (202) 623-7000; Web: www.imf.org.</p> <p>See Bretton-Woods Agreement; International Bank for Reconstruction and Development; World Bank Group.</p>
<b>International Olive Oil Agreement</b>	See international commodity agreement.
<b>International Organization for Standardization.</b>	See International Standards Organization.

Term	Definition
<b>International Partner Search (IPS)</b>	(U.S. government) An International Trade Administration (ITA) fee-based service which locates foreign import agents and distributors for U.S. exporters. IPS provides a custom search overseas for interested and qualified foreign representatives on behalf of a U.S. exporter. Officers abroad conduct the search and prepare a report identifying up to six foreign prospects that have examined the U.S. firm's product literature and have expressed interest in representing the U.S. firm's products. Contact the nearest Department of Commerce District Office or call [1] (800) USA-TRADE. See United States Department of Commerce.
<b>International Plant Protection Convention (IPPC)</b>	An international treaty established under the auspices of the United Nations to secure action to prevent the spread and introduction of pests of plants and plant products, and to promote appropriate measures for their control. The IPPC publishes a series of International Standards for Phytosanitary Measures (ISPMs). One of the most well-known ISPMs is ISPM No. 15: Guidelines for regulating wood packaging material in international trade, 2002. Contact: IPPC Secretariat; Plant Protection Service; Food and Agriculture Organization of the United Nations (FAO); Viale delle Terme di Caracalla; 00100 Rome, Italy; Fax: [39] 06-570-56347; Web: www.ippc.int.
<b>International Plant Protection Convention logo</b>	(international shipping) A logo and marks permanently affixed to wood packing materials used in international shipments to certify that the materials have been properly treated for plant pests. Note that paper certificates of treatment will not be accepted. See International Plant Protection Convention, ISPM.
<b>International POW WOW</b>	<p>(U.S.) An annual trade fair, coordinated by the Travel Industry Association of America (TIA) to promote foreign tourism to the United States, which brings together over 1,200 international buyers (tour operators and wholesalers) from 55 countries. The buyers are chosen through international selection criteria and purchase packages which they sell to their respective travel retailers.</p> <p>Each non-U.S. country has a chairman and the chairman has a selection committee. Each country has a quota of buyers they can send to either the U.S. or the European POW WOW. If a buyer wants to go and hasn't already been selected, they can try contacting the selection committee via the chairman. One way to find out who this is, would be to contact the Travel Industry Association of America (see address below.) U.S. sellers do not need to go through such a process. However, to have a booth at the European POW WOW they must be TIA members. They do not have to be TIA members to participate in the U.S. POW WOW. Organizer: Travel Industry Association of America; 1100 New York Ave. NW; Suite 450, Washington, DC 20005-3934 USA; Tel: [1] (202) 408-8422; Web: www.tia.org. The TIA coordinates the POW WOW with the U.S. Travel and Tourism Administration of the U.S. Department of Commerce.</p>
<b>International Road Transport Union (IRU)</b>	(logistics) An international association that represents the road transport industry world-wide. It speaks for the operators of coaches, taxis and trucks, from large transport fleets to driver-owners. It acts as an advocate for the industry at various international bodies that make decisions affecting road transport. The IRU seeks to improve the safety record and environmental performance of road transport and ensures the mobility of people and goods. Among its practical services to the industry, the IRU is international guarantor of the TIR carnet system under which trucks are sealed by customs upon departure and can cross several borders without further checks until they reach their destinations. See TIR Carnet.
<b>International Rubber Agreement (IRA)</b>	An international agreement among natural rubber exporting and importing nations whose purpose is to stabilize the price of rubber through import quotas, thereby protecting rubber exporting countries in the developing world from the effects of extreme price fluctuations. See international commodity agreement.
<b>International Ship and Port Facility Security Code (ISPS)</b>	<p>The ISPS Code, developed by the International Maritime Organization (IMO), a specialized agency of the United Nations (UN), is a series of amendments to the SOLAS (Safety of Life at Sea) Convention that set new standards for security for ships engaged in international voyages as well as port facilities around the world. It aims to make shipping activities more secure against threats of terrorism, piracy and smuggling. The ISPS Code went into effect on July 1, 2004. The full text of the ISPS Code can be found on the Web at: <a href="http://www.prs.pl/pages/obszary/certyfikacja-isps/ISPScode.pdf">www.prs.pl/pages/obszary/certyfikacja-isps/ISPScode.pdf</a></p> <p>Also, contact the IMO at: <a href="http://www.imo.org">www.imo.org</a>.</p>

Term	Definition
<b>International Standard Audiovisual Number (ISAN)</b>	(international standard) An internationally recognized voluntary numbering system for the identification of audiovisual works. The ISAN is similar to the ISBN (International Standard Book Number) system for the identification of books. The ISAN is a 16-digit number consisting of a 12-digit root segment and a 4-digit segment for the identification of episodes or parts when applicable. A check digit is added whenever the ISAN is presented in human-readable form. The ISAN identifies the work rather than the content of the work or actual publications. There is no relation between the ISAN and copyright registration. The standard was developed by the International Standards Organization (ISO). Contact: Web: <a href="http://www.isan.org">www.isan.org</a> .
<b>International Standard Book Number (ISBN)</b>	(international standard) The internationally recognized standard numbering system for the identification of books.  The ISBN is a 10- or 13-digit number that identifies both the publisher and the publication. The numbering system was defined by the International Organization for Standardization (ISO) in 1970 as ISO 2108. Numbers are assigned by agencies in various countries.  U.S. ISBN Agency; 630 Central Avenue; New Providence, NJ 07974 USA; Fax: [1] (908) 219-0188; Web: <a href="http://www.isbn.org">www.isbn.org</a> .  International ISBN Agency; c/o EDITEUR; 39-41 North Road; London N7 9DP, UK; Tel: [44] (0)20 7503 6418; Web: <a href="http://isbn-international.org">http://isbn-international.org</a> .
<b>International Standard Industrial Classification</b>	(classification system) A United Nations business enterprise classification system based upon the economic activity of the enterprise. The currently valid version is Revision 3. Contact at UNSD (United Nations Statistical Division); Web: <a href="http://unstats.un.org/unsd">http://unstats.un.org/unsd</a> . Trade-related statistics can be requested at E-mail: <a href="mailto:statistics@un.org">statistics@un.org</a> .
<b>International Standard Music Number (ISMN)</b>	(international standard) An internationally recognized code used in the identification of music publications. The ISMN is similar to the ISBN (International Standard Book Number) system for the identification of books. The ISMN identifies all printed music publications, whether available for sale, hire or free of charge--whether a part, a score or an element in a multi-media kit.  The original ISMN consisted of four elements comprising ten digits: 1) a constant , to distinguish it from other standard numbers, 2) a publisher prefix which identified a certain music publisher, 3) a title number which identified a certain publication and 4) a check digit which validated the number on a mathematical basis.  The new ISMN format also consists of four elements: 1) the prefix 979-0 which represents ISMNs, 2) a block of numbers to identify a specific music publisher, 3) a block of numbers to identify the published item, and 4) a check digit.  Items to be given an ISMN include:  Scores, miniature (study) scores, vocal scores, sets of parts, individual parts when available separately, pop folios, anthologies, multimedia when printed music is a part of the kit, song texts or lyrics when published with the music, song books (optional), microform publications, braille music publications and electronic publications.  Items not to be given ISMNs include: Books on music, stand-alone sound or video recordings and serials.  Benefits of the ISMN system include: fast and unique identification, allows quick and efficient ordering and tele-ordering, speeded up distribution, creation of a music trade directory, Music in Print, support for bar coding and electronic point-of-sale systems and support for a variety of computer applications.  The International Agency is responsible for the maintenance of the ISMN system, the standard and its application. Publishers

Term	Definition
	<p>prefixes are distributed on a national or regional level by ISMN agencies. Publishers usually administer their own contingents of title numbers as received from the ISMN agency.</p> <p>ISO Standard 10957 gives basic rules of the ISMN system. A more explicit ISMN Users's Manual is available free of charge from the International ISMN Agency. Contact: International ISMN Agency; Schloßstr. 50; 12165 Berlin, Germany; Tel.: [49] (30) 7974 5002; Web: <a href="http://ismn-international.org">http://ismn-international.org</a>.</p>
<b>International Standard Musical Work Code (ISWC)</b>	<p>(international standard) The internationally recognized standard numbering system for the identification of musical works. An ISWC for musical works consists of a letter followed by nine digits and a check digit, as follows:</p> <p>distinguishing element (1 letter); work identifier (9 digits) and check digit (1 digit). The distinguishing element for musical works is the letter «T». In printed form the ISWC is preceded by a label and may include hyphens and dots between the elements for ease of reading. Example ISWC T-034.524.680-1</p> <p>Arrangements, adaptations and translations are all given separate ISWCs. These are known collectively as versions. The system is based on the International Standards Organization ISO 15707. The International ISWC Agency is provided by CISAC (International Confederation of Societies of Authors and Composers).</p> <p>Numbers may be obtained through rights societies or directly by individuals. Works in the public domain may also have a number allocated.</p> <p>Contact: ISWC Administrator; International ISWC Agency; CISAC; 20-26, Boulevard du Parc; 92200 Neuilly sur Seine France; Tel: [33] 1 55 62 08 50; Web: <a href="http://www.iswc.org">www.iswc.org</a>.</p>
<b>International Standard Recording Code (ISRC)</b>	<p>(international standard) The internationally recognized standard code system used to identify sound and audio-visual recordings and individual tracks on compact disks (CDs), music videos and other media, primarily to ensure royalty payments. The ISRC is contained in the subcode (Q-channel) and is unique to each track of the recording. Note that the ISRC identifies the track and not the physical product. Each ISRC is comprised of 12 characters as follows: 2 characters to identify the country of residence of the registrant of the recording (such as FR for France); 3 characters or digits to identify the first owner (as allocated by Phonographic Performance Ltd. for audio); 2 digits to identify the year of recording (represented as the last two digits of the year); and a 5 digit Designation Code assigned by the first owner. The ISRC was developed by the International Standards Organization (ISO) in 1986 and is also known as ISO 3901.</p> <p>U.S. Contact: RIAA (Recording Industry Association of America); 1025 F ST NW, 10th Floor; Washington, D.C. 20004; Tel: [1] (202) 775-0101; Web: <a href="http://www.riaa.com">www.riaa.com</a>.</p>
<b>International Standard Serial Number (ISSN)</b>	<p>(international standard) The internationally recognized standard numbering system used to identify serial publications (such as newspapers, annuals, magazines and journals). Each ISSN is comprised of two groups of 4 digits separated by a hyphen. The eighth character is a control digit calculated using the preceding 7 digits. If the calculation equals "10" the control digit is "X" (e.g., ISSN 1234-567X). The ISSN is simply an identifier of a specific serial. The ISSN does not identify the serial's country of origin, language, contents, frequency of publication or copyright.</p> <p>The ISSN was originally established by the International Standards Organization (ISO) and is currently administered from over 60 national centers. The International Center in Paris handles central distribution of ISSNs and takes care of countries that do not have their own national center. Contact: ISSN International Center; 45 rue de Turbigo ; 75003 Paris France; Tel: [33] (1) 44 88 22 20; Web: <a href="http://www.issn.org">www.issn.org</a>.</p>

Term	Definition
<b>International Standards for Phytosanitary Measures (ISPM)</b>	See ISPM.
<b>International Standards Organization (ISO)</b>	<p>The ISO, established in 1947, is a worldwide federation of national bodies, representing approximately 157 member countries. The scope of the International Standards Organization covers standardization in all fields except electrical and electronic engineering standards, which are the responsibility of the International Electrotechnical Commission (IEC). Together, the ISO and IEC form the specialized system for worldwide standardization--the world's largest nongovernmental system for voluntary industrial and technical collaboration at the international level.</p> <p>The result of ISO technical work is published in the form of International Standards. There are, for example, ISO standards for the quality grading of steel; for testing the strength of woven textiles; for storage of citrus fruits; for magnetic codes on credit cards; for automobile safety belts; and for ensuring the quality and performance of such diverse products as surgical implants, ski bindings, wire ropes, and photographic lenses.</p> <p>ISO 9000 is a new series of voluntary international quality standards. Its formal name is ISO 9000 Series of Standards. Adoption of ISO standards has become a virtual prerequisite for doing business internationally. Contact: International Standards Organization; 1, ch. de la Voie-Creuse, PO Box 56; CH-1211 Geneva 20, Switzerland; Tel: [41] (22) 749-0111; Fax: [41] (22) 733-3430; Web: www.iso.ch. In the United States contact: International Organization for Standards; The American National Standards Institute; 1819 L Street, NW, 6th floor; Washington, DC 20036; Tel: [1] (202) 293-8020; Web: www.ansi.org.</p>
<b>International Sugar Agreement</b>	See international commodity agreement.
<b>International Telecommunications Satellite Organization (INTELSAT)</b>	Created in 1964 under a multilateral agreement, INTELSAT was originally a nonprofit cooperation of countries from around the world that jointly owned and operated a global communications satellite system serving the world. Currently, INTELSAT is a private corporation with a global fleet of 21 satellites (with plans to launch an additional seven), and offers wholesale Internet, broadcast, telephony and corporate network solutions to leading service providers in more than 200 countries and territories worldwide. Contact: Intelsat Global Service Corporation; 3400 International Drive, NW; Washington, D.C. 20008 USA; Tel: [1] (202) 944-6800; Fax: [1] (202) 944-7898; Web: www.intelsat.com.
<b>International Telecommunications Union</b>	A specialized agency of the United Nations with responsibilities for developing operational procedures and technical standards for the use of the radio frequency spectrum, the satellite orbit, and for the international public telephone and telegraph network. There are over 160 member nations of the ITU. The Radio Regulations that result from ITU conferences have treaty status and provide the principal guidelines for world telecommunications. In the case of the U.S., they are the framework for development of the U.S. national frequency allocations and regulations. The ITU has four permanent organs: the General Secretariat, the International Frequency Registration Board (IFRB), the International Radio Consultative Committee (CCIR), and the International Telegraph and Telephone and Consultative Committee (ITTCC). Contact: International Telecommunications Union; Place des Nations; CH-1211 Geneva 20, Switzerland; Tel: [41] (22) 730-5111; Web: www.itu.int.
<b>International Tin Agreement</b>	See international commodity agreement.
<b>International Trade Administration (ITA)</b>	(U.S.) The trade unit of the U.S. Department of Commerce, ITA was established in 1980 to carry out the U.S. government's nonagricultural foreign trade activities and support the policy negotiations of the U.S. Trade Representative. It encourages and promotes U.S. exports of manufactured goods, administers U.S. statutes and agreements dealing with foreign trade, and advises on U.S. international trade and commercial policy. An important arm of the ITA is the United States and Foreign Commercial Service. Contact: International Trade Administration; 1401 Constitution Avenue NW; Washington, DC 20230 USA;

Term	Definition
	Tel: [1] (202) 482-2867; Web: <a href="http://ita.doc.gov">http://ita.doc.gov</a> . See United States Department of Commerce; United States and Foreign Commercial Service; United States Trade Representative.
<b>International Trade Commission (ITC)</b>	(U.S.) An independent U.S. government fact-finding agency with six commissioners who review and make recommendations concerning countervailing duty and antidumping petitions submitted by U.S. industries seeking relief from imports that benefit unfair trade practices. Known as the U.S. Tariff Commission before its mandate was broadened by the Trade Act of 1974. Contact: U.S. Department of Commerce; International Trade Commission; 500 E. Street SW; Washington, DC 20436 USA; Tel: [1] (202) 205-2000; Web: <a href="http://www.usitc.gov">www.usitc.gov</a> . See dumping; countervailing duty.
<b>International Trade Data System (ITDS)</b>	(U.S. Customs) A U.S. government multi-agency, information technology initiative that will implement an integrated, government-wide system for the electronic collection, use, and dissemination of international trade data. ITDS is being integrated with the U.S. Customs and Border Protection (CBP) modernization Automated Commercial Environment (ACE) project and will serve as the U.S. government's "single window" into international trade data collection and distribution. ITDS supports both Homeland Security (Border and Transportation Security) and the President's Management Agenda. For more information on ITDS, go to: <a href="http://www.itds.gov">www.itds.gov</a> .
<b>International Traffic in Arms Regulations</b>	(U.S.) Regulations administered in the United States by the U.S. State Department to control the export of weapons and munitions.
<b>International Union for the Protection of Literary and Artistic Works</b>	See Berne Convention; World Intellectual Property Organization.
<b>International Wheat Agreement</b>	See international commodity agreement.
<b>interstate carrier</b>	(shipping-U.S.) A common carrier whose business extends beyond the boundaries of one state. See carrier; common carrier.
<b>interstate commerce</b>	(U.S.) Trade between or among several states of the United States. A seller that uses a telephone or facsimile across state lines in its transactions, or transports goods by rail or interstate roads is using interstate commerce.
<b>Interstate Commerce Act of 1887</b>	(U.S. law) Federal legislation regulating the practices, rates, and rules of transportation for carriers engaged in handling interstate shipments or the movement for a fee of people across state lines.
<b>intervention</b>	(banking/foreign exchange) Efforts by central banks and national governments to influence the exchange rates for its currency. Intervention is usually done in one of two ways: (1) The purchase of large amounts of a currency in order to bolster the price, or (2) The sale of large amounts of a currency to lower the price of the currency. Central banks can also raise interest rates in order to attract capital into the country or lower interest rates to discourage the flow of capital into the country.
<b>intervention currency</b>	(banking/foreign exchange) The foreign currency a country uses to ensure by means of official exchange transactions that the permitted exchange rate margins are observed. Intervention usually takes the form of purchases and sales of foreign currency by the central bank or exchange equalization fund in domestic dealings with commercial banks.
<b>intrinsic value</b>	(commerce/economics) The value of an item independent of location or ownership.  (banking/finance/foreign exchange) The difference between the strike price of an option and the forward price of the underlying security up to maturity, as long as the option is in-the-money. The premium of an option is made up of the time value and the intrinsic value.
<b>inventory</b>	(commerce/accounting/logistics) (a) A listing of raw materials, component parts, work in progress and finished goods on hand at any given moment. (b) The value of raw materials, component parts, work in progress and finished goods on hand at any given moment. See cycle inventory, defective goods inventory, inventory deployment, inventory in transit, inventory turns.

<b>Term</b>	<b>Definition</b>
<b>inventory carrying costs</b>	(commerce/accounting/logistics) The costs associated with maintaining goods in inventory. These include the time value of money invested in producing or purchasing the inventory, warehousing, insurance, depreciation of warehouse and equipment, obsolescence, taxes, utilities and administrative costs.
<b>inventory deployment</b>	(logistics) The strategic management of inventory to minimize stock and storage levels (and thus costs) while meeting customer demand. This is achieved by dynamically monitoring supply, demand, inventory at rest and inventory in transit.
<b>inventory in transit</b>	(logistics/accounting) (a) Inventory that is in the possession of carriers. (b) The value of inventory that is in the possession of carriers. Value can be defined as the either the cost or the sales value.
<b>inventory turns</b>	(logistics) The number of times an inventory is replaced over a stated period of time. The annual unit calculation is: total number of units sold during a year divided by the average number of units kept in inventory during the year.
<b>inventory velocity</b>	(logistics) The rate at which inventory moves through a defined cycle. For example: the speed at which inventory is sold in a retail or distribution environment; the speed at which inventory moves through the entire supply chain; the speed at which inventory moves from a receiving dock to the shipping dock. The more traditional term for inventory velocity is "turns". See inventory turns.
<b>investment climate statements</b>	(U.S.) Reports prepared occasionally by the commercial sections of U.S. embassies for the U.S. and Foreign Commercial Service, covering 67 individual countries. The ICSs provide statistics and analysis of policies and issues effecting the climate for direct investment in the individual country. See United States and Foreign Commercial Service.
<b>investment performance requirements</b>	(foreign investment) Special conditions imposed on direct foreign investment by recipient governments, sometimes requiring commitments to export a certain percentage of the output, to purchase given supplies locally, or to ensure the employment of a specified percentage of local labor and management.
<b>invisible balance</b>	See invisible trade balance.
<b>invisible barriers to trade</b>	Government regulations that do not directly restrict trade, but indirectly impede free trade by imposing excessive or obscure requirements on goods sold within a country, especially imported goods. These regulations are often known to business owners within the country, because they may be required to comply with them, but are often not known by foreign businesses seeking to export their products, and therefore such regulations are "invisible." Examples include labelling requirements, sanitary standards, and size or measurement standards.
<b>invisible trade balance</b>	(economics) As contrasted with the import and export of goods--the trade balance created by the import and export of services, including consulting and advisory services, transportation services, income and expenditure on travel services, insurances, licenses, earnings and interest income from international capital movements. See balance of trade.
<b>invisibles, invisible trade</b>	(economics) Non-merchandise items such as freight, insurance, and financial services that are included in a country's balance of payments accounts (in the "current" account), even though they are not recorded as physically visible exports and imports. See balance of trade.
<b>invoice</b>	A document identifying the seller and buyer of goods or services, identifying numbers such as invoice number, date, shipping date, mode of transport, delivery and payment terms, and a complete listing and description of the goods or services being sold including prices, discounts and quantities. See commercial invoice.
<b>inward cargo manifest</b>	A document giving the description of a ship's cargo or the contents of a rail car or truck.  (U.S. Customs) A U.S. Customs and Border Protection (CBP) document required of all carriers entering the customs territory of the United States giving a description of a ship's cargo or the contents of a rail car or truck.
<b>inward foreign manifest (IFM)</b>	(U.S. Customs) A U.S. Customs mandated document requiring the complete listing by bill of lading numbers of an arriving ship's freight being imported into the United States.

Term	Definition
<b>ipso jure</b>	(law) By operation of law. Contract terms that are implied by a court from the conduct of the parties, for example, are enforceable ipso jure.
<b>irregular route carrier</b>	(logistics) A motor carrier that does not follow a set route.
<b>irrespective of percentage</b>	(insurance) A marine insurance policy clause that protects the assured against loss or damage without a franchise having to be reached, or a deductible applied. See franchise.
<b>irrevocable letter of credit</b>	<p>(banking) A letter of credit which cannot be amended or canceled without prior mutual consent of all parties to the credit. Such a letter of credit guarantees payment by the bank to the seller/exporter so long as all the terms and conditions of the credit have been met.</p> <p>Documentary letters of credit issued subject to the Uniform Customs and Practice for Documentary Credits (UCPDC) Publication No. 500 are deemed to be irrevocable unless expressly marked as revocable. See letter of credit.</p>
<b>irritating material</b>	(shipping) Items capable of causing discomfort such as tearing, choking, vomiting and skin irritation. (UN CLASS 6.) Examples are tear gas and riot control agents. Hazards/precautions are: may cause difficulty in breathing; may burn but do not ignite readily; exposure in enclosed areas may be harmful; may cause tearing of the eyes, choking, nausea or skin irritation.
<b>ISIC</b>	See International Standard Industrial Classification.
<b>ISO 1400</b>	<p>(standards) A family of voluntary generic management system standards established by the ISO (International Standards Organization) that are concerned with "environmental management." ISO 14000 is not a product or service standard. Generic means that the same standards may be applied to any organization, whether public or private, non-profit or profit-making, regardless of its size or whether it deals in a products or services. Management system means that the organization has a systematic written procedure for managing its activities. Standards means that the organization is following an internationally recognized model for setting up and operating the management system. Environmental management is what an organization does to make sure that its products and/or services will have the least harmful impact on the environment, either during production or disposal, either by pollution or by depleting natural resources.</p> <p>Adoption of ISO standards has become a virtual prerequisite for doing business internationally. See International Standards Organization.</p> <p>Contact: International Standards Organization; 1, ch. de la Voie-Creuse, PO Box 56; CH-1211 Geneva 20, Switzerland; Tel: [41] (22) 749-0111; Fax: [41] (22) 733-3430; Web: www.iso.ch. In the United States contact: International Organization for Standards; The American National Standards Institute; 1819 L Street, NW, 6th floor; Washington, DC 20036; Tel: [1] (202) 293-8020; Web: www.ansi.org.</p>
<b>ISO 28000</b>	<p>(standards) A series of standards related to supply chain security management systems established by the ISO (International Standards Organization). These standards, which have just been upgraded from Publicly Available Specifications to that of full fledged International Standards, will help to reduce risks to people and cargo within the supply chain. The standards address potential security issues at all stages of the supply process, thus targeting threats such as terrorism, fraud and piracy.</p> <p>The ISO 28000 series of International Standards specifies the requirements for a security management system to ensure safety in the supply chain. Its standards can be applied by organizations of all sizes involved in manufacturing, service, storage or transportation by air, rail, road and sea at any stage of the production or supply process. The series includes provisions to:</p> <p>establish, implement, maintain and improve a security management system;</p>

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	<p>assure conformity with security management policy;</p> <p>demonstrate such conformity;</p> <p>seek certification/registration of conformity by an accredited third party organization; or</p> <p>make a self-determination and self-declaration of conformity.</p> <p>Contact: International Standards Organization; 1, ch. de la Voie-Creuse, PO Box 56; CH-1211 Geneva 20, Switzerland; Tel: [41] (22) 749-0111; Fax: [41] (22) 733-3430; Web: www.iso.ch. In the United States contact: International Organization for Standards; The American National Standards Institute; 1819 L Street, NW, 6th floor; Washington, DC 20036; Tel: [1] (202) 293-8020; Web: www.ansi.org.</p>
<b>ISO 6346</b>	<p>(standards) An international standard managed by the International Container Bureau (BIS) for the identification, coding, and marking of intermodal shipping containers. The coding system consists of a) an owner's code, b) an equipment category identifier, c) a serial number, and d) a check digit. For example:</p> <p>See International Container Bureau (BIS).</p>
<b>ISO 9000</b>	<p>(standards) A family of voluntary generic management system standards established by the ISO (International Standards Organization) that are concerned with "quality management." ISO 9000 is not a product or service standard. Generic means that the same standards may be applied to any organization, whether public or private, non-profit or profit-making, regardless of its size or whether it deals in a products or services. Management system means that the organization has a systematic written procedure for managing its activities. Standards means that the organization is following an internationally recognized model for setting up and operating the management system. Quality management is what an organization does to make sure that its products and/or services conform to customer requirements.</p> <p>Its formal name is ISO 9000 Series of Standards. Adoption of ISO standards has become a virtual prerequisite for doing business internationally. See International Standards Organization.</p> <p>Contact: International Standards Organization; 1, ch. de la Voie-Creuse, PO Box 56; CH-1211 Geneva 20, Switzerland; Tel: [41] (22) 749-0111; Fax: [41] (22) 733-3430; Web: www.iso.ch. In the United States contact: International Organization for Standards; The American National Standards Institute; 1819 L Street, NW, 6th floor; Washington, DC 20036; Tel: [1] (202) 293-8020; Web: www.ansi.org.</p>
<b>ISPM</b>	<p>Acronym for International Standards for Phytosanitary Measures. "International standards for phytosanitary measures are prepared by the Secretariat of the International Plant Protection Convention as part of the United Nations Food and Agriculture Organization's global programme of policy and technical assistance in plant quarantine. This programme makes available to FAO Members and other interested parties these standards, guidelines and recommendations to achieve international harmonization of phytosanitary measures, with the aim to facilitate trade and avoid the use of unjustifiable measures as barriers to trade." (International standards of phytosanitary measures No.1, February 1995, Secretariat of Plant Protection Convention, FAO, United Nations.) For more information go to <a href="http://www.spc.int/PPS/ism.htm">www.spc.int/PPS/ism.htm</a>.</p>
<b>ISPM-15</b>	<p>International Standards for Phytosanitary Measures (ISPM): Guidelines for Regulating Wood Packaging Material (WPM) in International Trade (ISPM Publication No. 15). A widely-accepted international standard for phytosanitary measures to reduce the risk of introduction and or spread of quarantine pests associated with wood packaging material (including dunnage), made of coniferous and non-coniferous raw wood, in use in international trade. In short, this standard requires wood packaging materials</p>

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	used in international trade to be treated. The approved treatments are (1) heat treatment to a minimum wood core temperature of 56 °C for a minimum of 30 minutes or (2) fumigation with methyl bromide (MB). The WPM also must be marked with the International Plant Protection (IPPC) logo. For the complete ISPM-15 document go to: <a href="http://www.spc.int/PPS/ispm.htm">www.spc.int/PPS/ispm.htm</a> . See also IPPC logo.
<b>ISRC</b>	See International Standard Recording Code.
<b>issuance</b>	(banking) The establishment of a letter of credit by the issuing bank (buyer's bank) based on the buyer's application and credit relationship with the bank. See letter of credit; advice; amendment.
<b>issuance date of the documents</b>	(shipping) Unless otherwise stipulated in a transport document, the date of issuance is deemed to be the date of shipment or loading on board of the goods.  (banking) Unless prohibited by the documentary letter of credit, documents bearing a date of issuance prior to that of the letter of credit are acceptable.
<b>issuing bank</b>	(banking) The buyer's bank which establishes a letter of credit at the request of the buyer, in favor of the beneficiary (seller/exporter). Also called the buyer's bank or the opening bank. See advising bank; negotiating bank.
<b>issuing carrier</b>	(logistics) The carrier that issues the bill of lading. Specifically, the carrier that establishes the contract for carriage.
<b>Japan Bank for International Cooperation (JBIC)</b>	(Japan) Japan's official provider of export credits. Contact: Japan Bank for International Cooperation, 4-1, Otemachi 1-chome, Chiyoda-ku, Tokyo 100-8144, Japan; Tel: [81] (3) 5218-3101; Web: <a href="http://www.jbic.go.jp">www.jbic.go.jp</a> .
<b>Japan External Trade Organization (JETRO)</b>	(Japan) Although legally under the aegis of the Ministry of International Trade and Industry (MITI), JETRO administers the export programs of the Japanese Government independently. The MITI subsidizes about 60 percent of JETRO's total annual expenditures and, technically, has final decision-making authority over JETRO management and programs. Originally established to help Japanese firms export, JETRO also assists American companies seeking to export to Japan and promotes Japanese direct investment in the United States and U.S. direct investment in Japan. JETRO offices in the U.S. have excellent trade libraries open to the public. There are seven branches throughout the U.S. Headquarters are in Tokyo: Japan External Trade Organization; Ark Mori Building, 6F 12-32; Akasaka 1-chome, Minato-ku, Tokyo 107-6006, Japan; Tel: [81] (3) 3582-5511; New York branch Tel: [1] (212) 997-0400; San Francisco branch Tel: [1] (415) 392-1333; Web: <a href="http://www.jetro.go.jp">www.jetro.go.jp</a> .
<b>Japan International Cooperation Agency (JICA)</b>	Established in August 1974 to administer the bilateral grant portion of Japan's Official Development Assistance (ODA). JICA covers both: (1) grant aid cooperation (offered without the obligation of repayment) and (2) technical cooperation (offering trainees, experts, equipment, project-type technical cooperation, and development studies). Contact: Japan International Cooperation Agency; 6-13F, Shinjuku Maynds Tower, 1-1, Yoyogi 2-chome, Shibuya-ku, Tokyo 151-8558; Tel: [81] (3) 5352-5311; Web: <a href="http://www.jica.go.jp/english/index.html">www.jica.go.jp/english/index.html</a> .
<b>Japan, Development Bank of (DBJ)</b>	(Japan) The Development Bank of Japan was founded in 1951 to aid in developing and diversifying the Japanese economy. The DBJ is a non-profit organization owned entirely by the Japanese Government. U.S. companies may participate in DBJ funding activity under the Bank's Loan Division in the International Department. The International Department disburses loans to foreign companies under two primary loan programs: Promotion of Foreign Direct Investment in Japan and Facilities for Import Products. The other loan programs of DBJ are also available to foreign-owned companies under the principle of equal treatment of clients regardless of nationality. Contact: Development Bank of Japan; 9-1, Otemachi 1-chome; Chiyoda-ku, Tokyo 100-0004, Japan; Tel: [81] (3) 3270-3211; Web: <a href="http://www.dbj.jp/en/index.html">www.dbj.jp/en/index.html</a> .
<b>jetsam</b>	(shipping) Articles from a ship or ship's cargo which are thrown overboard, usually to lighten the load in times of emergency or distress and that sinks or is washed ashore. See flotsam.
<b>jettison</b>	(shipping) To unload or throw overboard at sea a part of a ship's paraphernalia or cargo to lighten the ship in time of emergency.
<b>joint agent</b>	(shipping) A person having authority to transact business for two or more transportation lines.

<b>Term</b>	<b>Definition</b>
<b>joint and several guarantee</b>	See aval.
<b>joint and several liability</b>	(law) Liability for damages imposed on two or more individuals or legal entities who are responsible together and individually, allowing the party harmed to seek full remedy against all or any number of the wrongdoers. The availability of joint and several liability varies among countries, and some jurisdictions have placed limitations on the amount of damages for which a single person can be held liable when multiple parties could be responsible.
<b>joint policy</b>	(insurance) An insurance policy in which two or more underwriters (companies) participate insuring a single risk (not reinsurance).
<b>joint rate</b>	(shipping) A single through-rate on cargo moving via two or more carriers.
<b>joint stock company</b>	(law) An unincorporated business association with ownership interests represented by shares of stock. These companies have characteristics of both corporations and partnerships. They are created under authority of law and are treated differently from jurisdiction to jurisdiction. See corporation; partnership.
<b>joint venture</b>	(law) (a) A combination of two or more individuals or legal entities who undertake together a transaction for mutual gain or to engage in a commercial enterprise together with mutual sharing of profits and losses. (b) A form of business partnership involving joint management and the sharing of risks and profits as between enterprises based in different countries. If joint ownership of capital is involved, the partnership is known as an equity joint venture.
<b>Jones Act</b>	(U.S. maritime law) The U.S. Merchant Marine Act of 1920 and related statutes, commonly known as the Jones Act, require that vessels used to transport passengers or cargo between U.S. ports be built in U.S. shipyards, owned by U.S. citizens, and manned by U.S. crews. The purpose and argument for the Jones Act is to maintain a national shipbuilding and repair base as well as jobs and training for U.S. mariners, and to provide maritime assets in times of national emergencies. The argument against The Jones Act is that it is discriminatory and anti-competitive. As expected, from time-to-time the Jones Act becomes a hot political issue. The Jones Act is similar to cabotage laws in place in some 50 other nations around the world that protect domestic shipping and reserve immediate coastal activity for home fleets. See cabotage.
<b>juridical person</b>	See person, as defined by law.
<b>jurisdiction</b>	(law) (a) The legal right, power, or authority of a court to hear, interpret and apply the law to a case. Concurrent jurisdiction exists when two courts have simultaneous responsibility for the same case. (b) The geographic area over which a court has authority to decide cases.
<b>juristic act</b>	(law) Action intended to, and capable of having, a legal effect, such as the creation, termination, or modification of a legal right. Signing a power of attorney, for example, is a juristic act because it gives legal authority to an agent.
<b>juristic person</b>	See person, as defined by law.
<b>just in time</b>	(economics/manufacturing) The principle of production and inventory control that prescribes precise controls for the movement of raw materials, component parts and work-in-progress. Goods arrive when needed (just in time) for production for use rather than becoming expensive inventory that occupies costly warehouse space.

<b>K&amp;R insurance</b>	(insurance) Acronym for kidnapping and ransom insurance. See kidnapping and ransom insurance.
<b>Kabushiki Kaisha (KK)</b>	(Japan) Designation for a joint stock company with limited personal liability to shareholders.
<b>kaizen</b>	(Japanese management) A Japanese word meaning gradual, orderly and continuous improvement. Specifically a management theory defined in the book <i>Kaizen: The key to Japan's Competitive Success</i> , by Mr. Masaaki Imai, that promotes a personal and business culture of sustained continuous improvement. For information connect at Web: <a href="http://www.kaizen-institute.com">www.kaizen-institute.com</a> .

<b>Kanban system</b>	(Japanese logistics) A just-in-time inventory and production flow system developed in Japan that uses a card to signal when refurbishment is needed. It is a demand-oriented system whose purpose is to minimize raw materials and work-in-progress inventory. Kanban is a Japanese word that defines a communication signal or card.
<b>keelage</b>	(shipping) The charges paid by a ship entering or remaining in certain ports.
<b>Keidanren</b>	(Japan) Keidanren (the Japanese Federation of Economic Organizations) was established in 1946 as a private, non-profit economic organization representing virtually all branches of economic activity in Japan. Contact: Japan Federation of Economic Organizations (Keidanren); 1-3-2, Otemachi; Chiyoda-ku, Tokyo 100-8188; Japan; Tel: [81] (3) 6741-0222; Web: www.keidanren.or.jp.
<b>keiretsu</b>	(Japan) Keiretsu refers to the horizontally and vertically linked industrial structure of post-war Japan. (Prior to WWII they were called zaibatsu.) The horizontally linked groups include a broad range of industries linked via banks and general trading firms. There are eight major industrial groups, sometimes referred to as "Kigyo Shudan": Mitsubishi, Mitsui, Sumitomo, Fuyo, DKB, Sanwa, Tokai, and IBJ. The vertically linked groups (such as Toyota, Matsushita, and Sony) are centered around parent companies, with subsidiaries frequently serving as suppliers, distributors, and retail outlets. Common characteristics among the groups include crossholding of company shares, intra-group financing, joint investment, mutual appointment of officers, and other joint business activities. The keiretsu system emphasizes mutual cooperation and protects affiliates from mergers and acquisitions. Ties within groups became looser after the oil shocks of the 1970s as a result of decreasing dependence on banks for capital.
<b>Kemler Code</b>	See ADR Hazard Identification Number (HIN).
<b>key currency</b>	(foreign exchange) A major currency in the global economy. Small countries, which are highly dependent on exports, orientate their exchange rate to major currencies in the global economy, the so-called key currencies. Key currencies include the U.S. dollar, the British pound sterling, the European Union Euro, the Swiss franc, the Japanese yen and the Canadian dollar.
<b>kidnapping and ransom insurance</b>	(insurance) Insurance coverage against the threat of kidnapping or ransom of staff working in another country. Most policies also cover professional advice and independent negotiators to remove emotion from negotiation with the kidnapers.
<b>kilo ton (metric ton)</b>	(measure) A unit of mass or weight measure equal to 2,204.6 pounds.
<b>kilogram</b>	(measure) A unit of mass or weight measure equal to 2.2046 lbs. Abbreviated as k, K, KS, kg, KG, kgs, or KGS.
<b>kina</b>	The currency of Papua New Guinea. K1=1 toea.
<b>kind or quality</b>	See drawback--refund of duties.
<b>kip</b>	The currency of Laos. ? 1=100 at.
<b>kitting</b>	(logistics) The assembly or packaging of components, parts or finished products into a new single item. This light assembly operation is sometimes performed in foreign trade zones or special economic zones. The term refers to the making of a kit (a collection of items). For example, five different types and sizes of screwdrivers might be kitted into a single set of screwdrivers for sale to consumers.
<b>kiwi bond</b>	(banking/finance) Bond issued in New Zealand dollars on the New Zealand market by non New Zealand borrowers.
<b>knocked down (K.D.)</b>	An article taken apart and folded or telescoped in such a manner as to reduce its bulk at least 66 2/3 percent from its normal shipping cubage when set up or assembled.

<b>knot</b>	(measure) A unit of measurement of speed of a vessel in water or an airplane in air equal to one nautical mile (6082.66 feet) per hour.
<b>known loss</b>	(shipping/insurance) A loss discovered before or at the time of delivery of a shipment.
<b>Kommanditgesellschaft (KG)</b>	(Austria, Germany, Switzerland) Designation for a limited partnership in which at least one of the partners has general liability and at least one of the other partners has limited liability.
<b>Kommanditselskab (K/S)</b>	(Denmark) Designation for a limited partnership in which at least one of the partners has general liability and at least one of the other partners has limited liability.
<b>koruna</b>	The currency of the Czech Republic. K? 1=100 haleru.
<b>króna</b>	The currency of: Iceland, lkr1=100 aurar;  Sweden, Sk1=100 ören.
<b>krone</b>	Bouvet Island (uses Norway krone);  Denmark, 1DKr=100 øre;  Faroe Islands (uses Denmark krone);  Greenland (uses Denmark krone);  Norway, NKr1=100 øre;  Svalbard and Jan Mayen Island (uses Norway krone).
<b>kroon</b>	The currency of Estonia. KR1=100 senti.
<b>kuna</b>	The currency of Croatia. kn1 = 100 lipas.
<b>kwacha</b>	The currency of:  Malawi, MK1=100 tambala;  Zambia, K1=100 ngwee.
<b>kwanza</b>	The currency of Angola. Kz1=100 lwei.
<b>kyat</b>	The currency of Myanmar (Burma). K1=100 pyas.
<b>Kyoto Protocol</b>	An amendment to the United Nations Framework Convention on Climate Change (UNFCCC) and the result of negotiations at the third Conference of the Parties (COP-3) in Kyoto, Japan, in December of 1997. The Kyoto Protocol sets binding greenhouse gas emissions targets for carbon dioxide (CO <sub>2</sub> ), methane (CH <sub>4</sub> ), nitrous oxide (N <sub>2</sub> O), hydro fluorocarbons (HFCs), perfluorocarbons (PFCs) and sulfur hexafluoride (SF <sub>6</sub> ).  Annex 1 (developed) countries that sign and ratify the Protocol agree to reduce emissions of the named gasses by at least five percent below 1990 levels for the 2008 to 2012 commitment period. Annex 2 (developing) countries (such as China and India) are not required to reduce emissions at all.

	Non ratification of the Kyoto Protocol has become a political/economic/social issue in the United States. The U.S. government's position is, in part, that exempting developing countries that have large and fast growing greenhouse gas emissions (China is the second largest emitter of greenhouse gases) would put the U.S. at an economic disadvantage. (Note that the U.S. Senate has the power to ratify the Protocol, not the president.)
<b>kyrgyzstan som</b>	The currency of Kyrgyzstan. 1 som = 100 tyn.
<b>Lacey Act of 1900</b>	(U.S. law) A conservation law (16 U.S.C. § 3371-3378), passed in 1900 to prohibit the transportation of illegally-taken game across U.S. state lines. The law has been amended a number of times and is now a broad environmental statute including both animals and plants; and international trade as well as domestic U.S. trade in such items. See Lacey Amendment.
<b>Lacey Amendment</b>	(U.S. law) There have been a number of amendments to the Lacey Act of 1900, but the most significant recent amendment is from August 2008 and bans the import, sale, or trade of all illegally harvested wood and forest products. This amendment is seen to have far-reaching impact on the forests of the world and the forest products industry. As of the writing of this entry the industry is attempting to understand the scope of the amendment and how it will affect trade in all plant products.
<b>lading</b>	(logistics) (a) The act of loading cargo or freight onto a conveyance. (b) Cargo or freight.
<b>lagan (also ligan)</b>	(shipping) Goods or wreckage attached to a buoy and cast into the sea for later salvage.
<b>laissez-faire</b>	(economics) A term used to describe minimal governmental involvement in an economy, allowing market forces and individuals to make their own decisions, with little or no regulation.
<b>lakh</b>	(South Asia term) The quantity 100,000 of any item, but especially rupees (currency).
<b>land</b>	(a) The solid part of the earth's surface. (b) To arrive at the shore, as in "to land a ship." (c) To place cargo on shore (land) from a ship. (c) To cause to come to the ground, as in "to land an airplane."
<b>Land Border Carrier Initiative Program (LBCIP)</b>	(United States) A U.S. Customs and Border Protection (CBP) program developed in 1995 to address the threat of drug smuggling along the southwest border of the U.S. The purpose of the LBCIP is to deter smugglers of illegal drugs from using land border commercial conveyances to transport their contraband. For information, go to: <a href="http://www.cbp.gov/xp/cgov/trade/cargo_security/carriers/ipp.xml">www.cbp.gov/xp/cgov/trade/cargo_security/carriers/ipp.xml</a> .
<b>landbridge</b>	(shipping) The movement of containers from a foreign country by vessel, transiting a country by rail or truck, and then being loaded aboard another vessel for delivery to a second foreign country. An example would be a container from Shanghai which arrives in the U.S. at Tacoma, Washington and is carried by rail to New Jersey where it is shipped by ocean to London (water-rail-water operation).
<b>landed cost</b>	(shipping) The total cost of a shipment delivered to a named location. Specifically, the cost of the goods plus the cost of transportation. See Incoterms.
<b>landed price (named location)</b>	See Incoterms.
<b>Lanham Act of 1947</b>	(U.S. law) Federal legislation governing trademarks and other symbols for identifying goods sold in interstate commerce. As amended, it allows a manufacturer to protect his brand or trademark in the United States by having it recorded on a government register in the U.S. Patent Office. Also provides for the legal right to register any distinctive mark.
<b>lapse</b>	(insurance) The cancellation of an insurance policy due to failure to pay the renewal premium.

<b>lari</b>	The currency of Georgia. Lari1=100 tetri.
<b>lash</b>	See lighter aboard ship.
<b>LASH Vessel</b>	(shipping/logistics) A ship of at least 820 feet specially designed with an onboard deck crane capable of loading and unloading lighters (barges) through a stern section of the ship that projects out over the water. Lighters are generally used in shallow water ports or where the port does not have container facilities. LASH vessels usually handle breakbulk cargo. See lighter aboard ship, lighter.
<b>lashing device</b>	(logistics) A rope, cable or other tie-down device designed to secure cargo to its transport and provide minimal shifting during its journey. Typical lashing arrangements may secure a container by running across the middle or with four individual lashing devices one attached to each corner of the top face of the container.
<b>lat</b>	The currency of Latvia. Ls1=100 santims.
<b>Latin American Free Trade Association (LAFTA)</b>	See Latin American Integration Association.
<b>Latin American Integration Association (LAIA)</b>	(regional trade alliance) LAIA was created by the 1980 Montevideo Treaty as a replacement to the Latin American Free Trade Association (LAFTA). LAFTA was rejected because members felt its rules governing integration trends were too rigid. LAIA, an association involving Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Mexico, Paraguay, Peru, Uruguay, and Venezuela, since has declined as a major Latin American integration effort in favor of regional efforts, such as Mercosur. See Mercosur.
<b>lay order</b>	(customs) The period during which imported merchandise may remain at the place of unloading without some action being taken for its disposition, i.e., beyond the 5-day General Order period. See general order.
<b>lead inventory</b>	(logistics) The volume of inventory necessary to satisfy demand during the cycle time required to obtain a new shipment from a supplier. See inventory.
<b>lead underwriter</b>	(insurance) The underwriter who formulates rates and terms and conditions and accepts the largest participation in a joint insurance policy.
<b>League of Arab States</b>	See Arab League.
<b>leasehold</b>	(law) The temporary right to possess land. Technically a lease on land which reverts to the owner at the end of the lease term. See freehold.
<b>least developed countries (LDC's)</b>	(economics) Some 36 of the world's poorest countries. considered by the United Nations to be the least developed of the less developed countries. Most of them are small in terms of area and population, and some are land-locked or small island countries. They are generally characterized by low: per capita incomes, literacy levels, and medical standards; subsistence agriculture; and a lack of exploitable minerals and competitive industries. Many suffer from aridity, floods, hurricanes, and excessive animal and plant pests, and most are situated in the zone 10 to 30 degrees north latitude. These countries have little prospect of rapid economic development in the foreseeable future and are likely to remain heavily dependent upon official development assistance for many years. Most are in Africa, but a few, such as Bangladesh, Afghanistan, Laos, and Nepal, are in Asia. Haiti is the only country in the Western Hemisphere classified by the United Nations as "least developed." See developing countries; less developed country.
<b>legal entity</b>	(law) Any individual, proprietorship, partnership, corporation, association, or other organization that has, in the eyes of the law, the capacity to make a contract or an agreement, and the abilities to assume an obligation and to discharge an indebtedness. A legal entity is a responsible being in the eyes of the law and can be sued for damages if the performance of a contract or agreement is not met. See person.

<b>legal liability</b>	(law) Responsibility imposed upon individuals and organizations by law.
<b>legal person</b>	See person; legal entity.
<b>legal tender</b>	(banking/currency/law) Any money that is recognized as being lawful for use by a debtor to pay a creditor, who must accept same in the discharge of a debt unless the contract between the parties specifically states that another type of money is to be used.
<b>legality of the venture</b>	(law/insurance) An implied warranty of all contracts for insurance that the policy holder is engaged in a legal venture. This means that insurance will not cover a loss arising out of an illegal venture.
<b>lek</b>	The currency of Albania. L1=100 qintars.
<b>lempira</b>	The currency of Honduras. L1=100 centavos.
<b>lender of last resort</b>	(banking) One of the functions and a major raison d'être of a modern central bank; whereby the bank has to provide liquid assets to the banking system when the existing liquid assets of the banking system threaten to deplete.
<b>leone</b>	The currency of Sierra Leone. Le1=100 cents.
<b>less developed country (LDC)</b>	(economics) A country showing: (1) a poverty level of income, (2) a high rate of population increase, (3) a substantial portion of its workers employed in agriculture, (4) a low proportion of adult literacy, (5) high unemployment, and (6) a significant reliance on a few items for export.  Terms such as third world, poor, developing nations, and underdeveloped have also been used to describe less developed countries.
<b>less than container load (LCL)</b>	(shipping) A shipment of cargo that does not fill a container and is merged with cargo for more than one consignee or from more than one shipper. A container may be packed with LCL cargo at a container freight station for LCL delivery.
<b>less than truckload (LTL)</b>	(shipping) A shipment weighing less than the weight required for the application of the truckload rate.
<b>lesser developed country (LLDC)</b>	(economics) The classification LLDC was developed by the United Nations to give some guidance to donor agencies and countries about an equitable allocation of foreign assistance. The criteria for designating a country an LLDC, originally adopted by the UN Committee for Development Planning in 1971, have been modified several times. Criteria have included low: per capita income, literacy, and manufacturing share of the country's total gross domestic product. There is continuing concern that the criteria should be more robust and less subject to the possibility of easy fluctuation of a country between less developed and least developed status.
<b>letter of assignment</b>	A document with which the assignor assigns rights to a third party. See assignment.
<b>letter of credit (L/C)</b>	(banking) Formal term: Documentary credit or documentary letter of credit.  A letter of credit is a document issued by a bank stating its commitment to pay someone (supplier/exporter/seller) a stated amount of money on behalf of a buyer (importer) so long as the seller meets very specific terms and conditions. Letters of credit are more formally called documentary letters of credit because the banks handling the transaction deal in documents as opposed to goods.  The terms and conditions listed in the credit all involve presentation of specific documents within a stated period of time, hence the formal name--documentary credits.

The documents the buyer requires in the credit may vary, but at a minimum include an invoice and a bill of lading. Other documents the buyer may specify are certificate of origin, consular invoice, insurance certificate, inspection certificate and others.

Letters of credit are the most common method of making international payments, because the risks of the transaction are shared by both the buyer and the supplier.

Documentary letters of credit are subject to the Uniform Customs and Practice for Documentary Credits (UCPDC), Brochure No. 500, of the International Chamber of Commerce (ICC) in Paris. See Uniform Customs and Practice.

#### Basic Letters of Credit

There are two basic forms of a letter of credit: the Revocable Credit and the Irrevocable Credit. There are also two types of irrevocable credit: the Irrevocable Credit not Confirmed, and the Irrevocable Confirmed Credit. Each type of credit has advantages and disadvantages for the buyer and for the seller. Also note that the more the banks assume risk by guaranteeing payment, the more they will charge for providing the service.

(a) Revocable credit--This credit can be changed or canceled by the buyer without prior notice to the supplier. Because it offers little security to the seller, revocable credits are generally unacceptable and are rarely used.

(b) Irrevocable credit--The irrevocable credit is one which the issuing bank commits itself irrevocably to honor, provided the beneficiary complies with all stipulated conditions. This credit cannot be changed or canceled without the consent of both the buyer and the seller. As a result, this type of credit is the most widely used in international trade. Irrevocable credits are more expensive because of the issuing bank's added liability in guaranteeing the credit. There are two types of irrevocable credits:

(1) The Irrevocable credit not confirmed (Unconfirmed credit). This means that the buyer's bank which issues the credit is the only party responsible for payment to the supplier, and the supplier's bank is obliged to pay the supplier only after receiving payment from the buyer's bank. The supplier's bank merely acts on behalf of the issuing bank and therefore incurs no risk.

(2) The Irrevocable, confirmed credit. In a confirmed credit, the advising bank adds its guarantee to pay the supplier to that of the issuing bank. If the issuing bank fails to make payment, the advising bank will pay. If a supplier is unfamiliar with the buyer's bank which issues the letter of credit, he may insist on an irrevocable confirmed credit. These credits may be used when trade is conducted in a high risk area where there are fears of outbreak of war or social, political, or financial instability. Confirmed credits may also be used by the supplier to enlist the aid of a local bank to extend financing to enable him to fill the order. A confirmed credit costs more because the bank has added liability.

#### Special Letters of Credit

There are numerous special letters of credit designed to meet specific needs of buyers, suppliers, and intermediaries. Special letters of credit usually involve increased participation by banks, so financing and service charges are higher than those for basic letters of credit. The following is a brief description of some special letters of credit.

(a) Standby letter of credit--This credit is primarily a payment or performance guarantee. It is used primarily in the United States because U.S. banks are prevented by law from giving certain guarantees. Standby credits are often called non-performing letters of credit because they are only used as a backup payment method if the collection on a primary payment method is past due.

Standby letters of credit can be used, for example, to guarantee the following types of payment and performance:

repayment of loans,

fulfillment by subcontractors,

securing the payment for goods delivered by third parties.

The beneficiary to a standby letter of credit can draw from it on demand, so the buyer assumes added risk.

(b) Revolving letter of credit-- This credit is a commitment on the part of the issuing bank to restore the credit to the original amount after it has been used or drawn down. The number of times it can be utilized and the period of validity is stated in the credit. The credit can be cumulative or noncumulative. Cumulative means that unutilized sums can be added to the next installment, whereas noncumulative means that partial amounts not utilized in time expire.

(c) Deferred payment letter of credit-- In this credit the buyer takes delivery of the shipped goods by accepting the documents and agreeing to pay the bank after a fixed period of time. This credit gives the buyer a grace period for payment.

(d) Red clause letter of credit--This is used to provide the supplier with some funds prior to shipment to finance production of the goods. The credit may be advanced in part or in full, and the buyer's bank finances the advance payment. The buyer, in essence, extends financing to the seller and incurs ultimate risk for all advanced credits.

(e) Transferable Letter of Credit--This credit allows the supplier to transfer all or part of the proceeds of the letter of credit to a second beneficiary, usually the ultimate supplier of the goods. This is a common financing tactic for middlemen and is used extensively in the Far East.

(f) Back-to-Back Letter of Credit--This is a new credit opened on the basis of an already existing, nontransferable credit. It is used by traders to make payment to the ultimate supplier. A trader receives a letter of credit from the buyer and then opens another letter of credit in favor of the supplier. The first letter of credit is used as collateral for

	the second credit. The second credit makes price adjustments from which come the trader's profit. See Guide to Letters of Credit Appendix.
<b>letter of indemnity (LOI)</b>	(shipping) A document which serves to protect the carrier/owner financially against possible repercussions in connection with the release of goods without presentation of an original bill of lading. A letter of indemnity (usually as an indemnity for missing bill of lading) is used in cases in which the goods arrive at the port of destination before the original bills of lading. The issuance of the letter of indemnity allows the purchaser to take immediate delivery of the goods, thus saving himself time, additional demurrage, storage expenses, insurance costs, etc.
<b>letter of intent</b>	(law) A document, such as a written memorandum, that describes the preliminary understanding between parties who intend to make a contract or join together in another action, such as a joint venture or a corporate merger.
<b>leu</b>	The currency of:  Romania, L1=100 bani,  Moldova. Leu1=100 bani.
<b>lev</b>	The currency of Bulgaria. ?? 1 =100 stotinki.
<b>leverage</b>	(finance/foreign exchange) In options terminology, this expresses the disproportionately large change in the premium in terms of the relative price movement of the underlying instrument.
<b>lex loci actus</b>	(law) A legal rule to apply the law of the place where a wrongful act occurred. A court may apply this law in a legal action if the parties have not expressly agreed to the law that will govern their contract and if the laws of more than one jurisdiction could apply. If a buyer and seller, for example, are located in different countries and the buyer breaches the contract, under the rule of lex loci actus the court will apply the law of the buyer's country in interpreting the contract. This rule is usually applied when the wrongful act has a greater effect in the jurisdiction where it occurred than in any other jurisdiction. See conflict of laws; nexus; lex loci solutionis.
<b>lex loci solutionis</b>	(law) A legal rule to apply the law of the place where payment is to be made or a contract is to be performed. A country may apply this law in a legal action if the parties have not expressly agreed to the law that will govern their contract and if the laws of more than one jurisdiction could apply. If a buyer and seller, for example, are located in different countries and the buyer breaches the contract, under the law of lex loci solutionis the court will apply the law of the seller's country, which is where payment is to be made. This rule is usually applied when performance of the contract has a greater effect in the jurisdiction where it is to occur than in any other jurisdiction. See conflict of laws; nexus; lex loci actus.
<b>liberal</b>	(economics) When referring to trade policy, "liberal" usually means relatively free of import controls or restraints and/or a preference for reducing existing barriers to trade, often contrasted with the protectionist preference for retaining or raising selected barriers to imports.
<b>LIBID</b>	See London Interbank Bid Rate.
<b>LIBOR</b>	See London Interbank Offered Rate.
<b>license</b>	(law) A legal document conferring to the holder (licensee), the right to do something. Examples include foreign language translation rights for books, local manufacturing rights for pharmaceuticals, or use of a brand name and logo in a specific market.

<b>licensee</b>	(law) An individual, company or organization that acquires a license, typically for intellectual property rights such as foreign language translation rights for books, local manufacturing rights for pharmaceuticals, or use of a brand name and logo in a specific market.
<b>licensing agreement</b>	(law) A contract whereby the holder of a trademark, patent, or copyright transfers a limited right to use a process, sell or manufacture an article, or furnish specialized services covered by the trademark, patent or copyright to another firm.
<b>licensor</b>	(law) An individual, company or organization that grants a license. A licensor owns or has the rights to license intellectual property such as a copyright, patent or trademark. Examples of intellectual property licenses include foreign language translation rights for books, local manufacturing rights for pharmaceuticals, or use of a well-known brand name and logo in a specific market.
<b>life-cycle processing</b>	(economics/accounting) An accounting approach in which a company sets product prices based on recovering costs over the life cycle of the product.  (U.S.) In antidumping cases, U.S. authorities dispute the validity of this approach because projections of future yield improvements cannot be verified at the time of dumping calculations. See dumping.
<b>lift on, lift off (Lo/Lo)</b>	(shipping) the loading and unloading of cargo from a ship using a crane.
<b>lift van</b>	(shipping) A wooden or metal container used for packing household goods and personal effects. A lift van must be at least 100 cubic feet and be suitable for lifting by mechanical device.
<b>lighter</b>	(shipping) An open or covered barge towed by a tugboat and used mainly in harbors and inland waterways for the transport of cargo. Lighters are used in situations where shallow water prevents the ocean-going vessel from coming close to shore.
<b>lighter aboard ship (LASH)</b>	(shipping) A floatable large container (lighter) used in the combined ocean and inland waterway transport of goods. Lighters are transported on specially constructed ships.
<b>lighterage</b>	(shipping) (a) The loading or unloading of a ship by means of a lighter. (b) Charges assessed for lighter service.
<b>lilangeni</b>	The currency of Swaziland. L1=100 cents. The plural of lilangeni is emalangeni (E).
<b>LIMEAN</b>	(banking/finance) The calculated average of the London Interbank Bid Rate (LIBID) and the London Interbank Offered Rate (LIBOR). See London Interbank Bid Rate; London Interbank Offered Rate.
<b>Limitada (Ltda.)</b>	(Brazil, Portugal) Designation for a private limited liability corporation with limited liability to shareholders. See Sociedad por Quota.
<b>limitation period</b>	(law) A maximum period set by statute within which a legal action can be brought or a right enforced. A statute may prohibit, for example, any individual or legal entity from bringing an action for breach of contract more than one year after the breach occurred.
<b>limitations of liability (carrier)</b>	(shipping) Various international and US statutes (Hague Rules, Carriage of Goods by Sea Act, and others) governing the rights and responsibilities of shippers of cargo and ship operators that limit the liability of carriers for loss or damage to cargo. These limits are typically based on a "package" basis. Carriers, however, have succeeded in changing the definition of package from literally a package, to a pallet (of many packages), and then a container (of many pallets or packages), each step further limiting their liability.

<b>Limited (Ltd.)</b>	(United Kingdom) Designation for a private limited liability corporation with limited liability to shareholders.  (South Africa, United States) Designation for a public corporation with limited liability to shareholders.
<b>limited appointment</b>	(diplomacy) Limited appointees to the U.S. & Foreign Commercial Service (or to other foreign services) are persons from the private sector or from the federal government who are non-career officers assigned overseas for a limited time.
<b>limited liability</b>	(law) Restricted liability for the obligations of a business. Liability may be limited, for example, to the amount of a partner's or shareholder's contribution to the capital of a partnership or corporation.  (shipping/insurance) Rights granted to a shipowner to limit liability for the loss or damage to cargo.
<b>limited partnership</b>	(law) A partnership in which at least one partner has general liability and at least one of the other partners has limited liability.
<b>Limitée (Ltée.)</b>	(Canada) Designation for a public corporation with limited liability to shareholders.
<b>line haul</b>	(shipping) The direct movement of freight between two major ports by a single ship.
<b>line haul vessel</b>	(shipping) A vessel which is on a regularly defined schedule.
<b>Line Release System</b>	(U.S. Customs) A part of the U.S. Customs' Automated Commercial System, is designed for the release and tracking of shipments through the use of personal computers and barcode technology. To qualify for line release, a commodity must have a history of invoice accuracy, and be selected by local Customs districts on the basis of high volume. To release the merchandise, Customs reads the barcode into a personal computer, verifies that the barcode matches the invoice data, and enters the quantity. The cargo release is transmitted to the Automated Commercial System, which establishes an entry and the requirement for an entry summary, and provides the Automated Broker Interface system participants with release information. See Automated Commercial System.  (Canada Customs) A Canada Border Services Agency (CBSA) import shipment program that allows for the quick clearance of commercial shipments. The LRS processes release information before a shipment arrives at the border, thereby speeding the process of deciding to release a shipment or to refer it for examination.  The Line Release System has two release procedures called service options:  Prearrival Review System (PARS) Available to importers and brokers who can send invoice and manifest information to the CBSA before a shipment arrives; and  Frequent Importer Release System (FIRST) (pre-2008) Formerly available to importers of frequent, low-risk shipments. FIRST required prior CBSA authorization.
<b>liner</b>	(shipping) A vessel carrying passengers and cargo that operates on a route with a fixed schedule.
<b>liner terms</b>	(shipping) Conditions under which a shipping company will transport goods, including the amount payable for carriage of the goods (freight) and the cost both for loading and discharge of the vessel.
<b>liquidated damages</b>	(law) A sum of money that a contracting party agrees to pay to the other party for breaching an agreement, particularly important in a contract in which damages for breach may be difficult to assess. A manufacturer, for

	<p>example, that agrees to develop, produce, and sell unique products to a buyer may insist on a contract clause for liquidated damages in the event that the buyer rejects the goods without justifiable reason because the market for resale of the unique goods will be so limited that damages will be difficult to assess.</p>
<b>liquidation</b>	<p>(U.S. Customs) The final review of a U.S. Customs entry, and determination of the rate of duty and amount of duty by Customs. Liquidation is accomplished by Customs posting a notice on a public bulletin board at the customhouse. An importer may receive an advance notice on Customs Form 4333A "Courtesy Notice" stating when and in what amount duty will be liquidated. This form is not the liquidation, and protest rights do not accrue until the notice is posted. Time limits for protesting do not start to run until the date of posting, and a protest cannot be filed before liquidation is posted.</p> <p>The Customs Service may determine that an entry cannot be liquidated as entered for one reason or another. For example, the tariff classification may not be correct or may not be acceptable because it is not consistent with an established and uniform classification practice. If the change required by this determination results in a rate of duty more favorable to an importer, the entry is liquidated accordingly and a refund of the applicable amount of the deposited duties is authorized. On the other hand, a change may be necessary which imposes a higher rate of duty. For example, a claim for an exemption from duty under a duty-free provision or under a conditional exemption may be found to be insufficient for lack of the required supporting documentation. In this situation, the importer will be given an advance notice of the proposed duty rate advancement and an opportunity to validate the claim for a free rate or more favorable rate of duty.</p> <p>If the importer does not respond to the notice or if the response is found to be without merit, duty is liquidated in accordance with the entry as corrected and the importer is billed for the additional duty. The port or district may find that the importer's response raises issues of such complexity that resolution by a Customs Headquarters decision through the internal advise procedure is warranted. Internal advice from Customs Headquarters may be requested by the local Customs officers on their own initiative or in response to a request by the importer.</p> <p>Public Law 95-410 (Customs Procedural Reform and Simplification Act of 1978) requires that all liquidations be performed within one year from the date of consumption entry or final withdrawal on a warehouse entry. Three one-year extensions are permitted.</p> <p>See protest; entry; classification; valuation.</p>
<b>liquidation system</b>	<p>(U.S. Customs) A part of U.S. Customs' Automated Commercial System, closes the file on each entry and establishes a batch filing number which is essential for recovering an entry for review or enforcement purposes. An entry liquidation is a final review of the entry. Public Law 95-410 (Customs Procedural Reform and Simplification Act of 1978) requires that all liquidations be performed within one year from the date of consumption entry or final withdrawal on a warehouse entry. Three one-year extensions are permitted. See liquidation; Automated Commercial System.</p>
<b>liquidity</b>	<p>(economics) (a) A company's ability to meet its obligations at all times. (b) The availability of liquid funds in an economy. (c) The possibility of being able to carry out financial transactions without influencing the market.</p>

<b>lira</b>	<p>The currency of:</p> <p>Turkey. TL 1 = 100 kurus.</p> <p>Northern Cyprus, TL1=100 kurus.</p> <p>The former currency of Italy, Malta, San Marino, and The Vatican. The new currency of these countries is the European Union Euro. i1 = 100 cents.</p>
<b>litas</b>	<p>The currency of Lithuania. Lit1=100 centu.</p>
<b>livestock trailer</b>	<p>(road transportation) A truck trailer designed to carry cattle, calves, sheep, hogs, goats, and other livestock. This type of trailer is not used for horses or poultry. Multi-deck options (two- and three-deck) are available for the transport of small, medium, and large animals. The standard axle/wheel configuration is 2-axle/8-wheel. For heavier loads, 3-axle/12-wheel or 4-axle/16-wheel configurations are available. Options include ventilation holes on sides, rear- and side-door design based on type of livestock to be transported, and interior ramps to lower, mid, and upper decks.</p>
<b>Lloyd's Agency System</b>	<p>(insurance) The global Lloyd's Agency network consists of over 350 main Lloyd's Agents and a further 325 Lloyd's Sub-Agents. The first Lloyd's Agency appointments were made in 1811, primarily for the communication of shipping movements and casualty information. Although most Agents still carry out this function, their main role today is one of conducting or arranging surveys on ships and cargoes for insurers and commercial interests throughout the world. Almost 200 Agents have also been granted authority to adjust and settle claims arising under Lloyd's certificates of insurance. Although the Lloyd's Agency network is heavily influenced by its maritime origin, many Agents have diversified to embrace aviation, property, vehicle and liability specialties.</p> <p>Many underwriters and their assureds throughout the world utilize the services of Lloyd's Agents and evidence of this is usually reflected in the wording of cargo insurance certificates, which often incorporate the clause: "In the event of loss or damage which may result in a claim under this insurance immediate notice should be given to the Lloyd's Agent at the port or place where the loss or damage is discovered, in order that he may examine the goods and issue a survey report." For information go to: <a href="http://www.lloyds.com/The-Market/Tools-and-Resources/Lloyds-Agency-Department">www.lloyds.com/The-Market/Tools-and-Resources/Lloyds-Agency-Department</a>.</p>
<b>Lloyd's List</b>	<p>(shipping) A leading source of worldwide maritime news and information. The print and on-line publication includes coverage of world shipping, insurance, energy and logistics markets. Contact: Informa UK Ltd, Mortimer House, 37-41 Mortimer Street, London, W1T 3JH; Tel: [44] (0) 20 7017 5532; Web: <a href="http://www.lloydslist.com">www.lloydslist.com</a>.</p>
<b>Lloyd's of London</b>	<p>(insurance) A market of 66 insurers (themselves syndicates) that operate under the Lloyd's of London umbrella. Each insurer specializes in a specific risk such as ocean vessels (Exxon Valdez shipwreck and oil spill in Alaska), liability (asbestos), manufacturing facilities (match and fireworks factories), buildings (World Trade Center in New York), excessive risks (1906 San Francisco Earthquake), reinsurance (the insurance of insurance companies) and retrocessions (the reinsurance of reinsurance companies). Lloyd's does not sell insurance to individuals.</p> <p>Membership in a syndicate was restricted to individuals (the famous "Names") with significant net worth. Names accept unlimited personal liability ("down to their cufflinks") on the policies they write.</p>

	<p>In the 1990s Lloyd's allowed "Names" to convert to "Namecos," limited liability companies, which enabled them to carry forward income tax losses or defer capital gains. Previously, Names had not been permitted by the Inland Revenue to do this because their business could not be transferred as a going concern. These tax concessions now also apply to (the otherwise obscure) Scottish limited partnership.</p> <p>Lloyd's of London was founded in 1688 at Edward Lloyd's coffeehouse near the Royal Exchange at the London docks on the Thames River. Lloyd's became the premier meeting place for merchants, ship owners, ship captains, and other parties to exchange gossip, trade news and shipping information. It also became the premier meeting place for those willing to underwrite maritime ventures and insure cargoes and ships. In time, Lloyd's of London become the world's largest market (not insurance company) for insurance, especially marine insurance. Lloyd's of London; One Lime Street; London EC3M 7HA; UK; Tel: [44] (0) 20 7327 1000; Web: www.lloyds.com.</p>
<b>Lloyd's Register</b>	<p>(shipping) An alphabetical register of vessels completely describing them and containing other information valuable to a marine insurance company; published by Lloyds Register of Shipping.</p> <p>An independent risk management organization providing risk assessment and risk mitigation solutions and management systems certification around the world. Originally founded in 1760 to survey and classify merchant ships so that insurance underwriters and other interested parties may know the quality and condition of the vessels offered by insurance or employment. Contact at Lloyd's Register; 71 Fenchurch Street; London EC3M 4BS, UK; Tel: [44] (0)20 7709 9166; Web: www.lr.org.</p>
<b>LNG (liquified natural gas) vessel</b>	<p>(shipping) An ocean vessel designed to transport natural gas that has been cooled at high pressure and extremely low temperature (-260°F/-162°C) until it contracts into a liquid. LNG compresses to 1/600th its original volume.</p> <p>LNG vessels have large spherical storage tanks positioned half below and half above the deck.</p> <p>The LNG is loaded and unloaded through pumps at specialized terminals. After unloading, the liquid is turned back into gas and fed into pipelines for distribution.</p> <p>Although LNG is a dangerous cargo, LNG vessels have an exceptional safety record, primarily because they are staffed with the best officers and crews available.</p> <p>U.S. LNG Vessel Note: Due to the dangerous nature of the cargo, the U.S. Coast Guard coordinates protection for each trip to a U.S. LNG port, including helicopter patrol, police divers, marine patrol, environmental police, firefighting tugs, city police boats, and Coast Guard vessels. Bridges are closed as tankers pass underneath. An established zone of security extends 500 yards on each side, two miles ahead, and a mile behind the tanker.</p>
<b>load line</b>	<p>(shipping) A horizontal marking (or markings) painted on the hull of an ocean-going cargo vessel that shows where the waterline is when the vessel is at full capacity. See Plimsoll mark for a historical perspective and illustration.</p>
<b>loading</b>	<p>(shipping) The physical placing of cargo into carrier's container, or onto a vessel.</p>
<b>localization</b>	<p>A broad term used to describe the modification, preparation and/or translation of products, services, media or advertising for use or sale in a local market. Localization can include changes to product or service specifications, additions of content that are more appropriate for a local market, deletion of content deemed insensitive or not</p>

	applicable to a local market, checking content for cultural insensitivity and the translation of books, operational manuals and advertising into a local language or dialect. Examples include converting a U.S.-made, left-hand drive automobile to right-hand drive for the Japanese market; changing the cutting patterns for clothing to reflect different body shapes (not just sizes) for another culture; making sure that translations of marketing materials are not incorrect, insensitive or contrary to the goals of the advertiser; adding coverage of local issues to Web sites; and deleting or changing references that imply that the reader or user is from a country or culture other than the "target" country or culture.
<b>locus</b>	(law) A place. The locus of arbitration, for example, is the place where arbitration proceedings are held.
<b>logistics</b>	The process of planning, implementing and controlling the flow of personnel, materials and information from the point of origin to the point of destination at the required time and in the desired condition.  (shipping) The process of planning and controlling the flow of raw materials, work in progress or finished products from the point of origin to the point of destination (either to a factory for further processing, to a warehouse for storage or to the marketplace for sale) at the required time and in the desired condition.
<b>logistics data interchange (LDI)</b>	(logistics) The electronic exchange of logistics data through a computer system. LDI is similar to electronic data interchange (EDI). See EDI.
<b>logistics resource management (LRM)</b>	"A new class of software for supply chain execution that provides visibility and control of integrated transportation and import/export processes and delivers cost savings, trade security, and supply chain advantages to Global 2000 companies." (Definition by Arzoon, Inc., formerly at <a href="http://www.arzoon.com">www.arzoon.com</a> .)
<b>Lombard rate</b>	(banking/finance-Germany) The interest rate applied to loans backed by collateral in the form of movable, easily-sold assets (goods or securities). Particularly used with reference to the German Bundesbank, which normally maintains its Lombard rate at about 1/2 percent above its discount rate.
<b>Lomé Convention</b>	A 1975 agreement between the European Community (EC) and 62 African, Caribbean, and Pacific (ACP) states (mostly former colonies of the EC members). The agreement covers some aid provisions as well as trade and tariff preferences for the ACP countries when shipping to the EC. The Lome Convention grew out of the 1958 Treaty of Rome's "association" with the 18 African colonies/countries that had ties with Belgium and France.
<b>London Interbank Bid Rate (LIBID)</b>	(banking/finance) The bid in a quotation representing the interest rate at which U.S. dollar deposits are re-traded in London. See London Interbank Offered Rate; LIMEAN.
<b>London Interbank Offered Rate (LIBOR)</b>	(banking/finance) The interest rate at which banks in London are prepared to lend funds to first-class banks. It is used to determine the interest rate payable on most Eurocredits. See London Interbank Bid Rate; LIMEAN.
<b>London Market</b>	(insurance) A general term used to describe the UK insurance and reinsurance industry, geographically centered in the City of London. While there is no hard and fast definition, The London Market comprises companies, Lloyd's syndicates, P&I (Protection and Indemnity) clubs, and brokers with emphasis on internationally traded insurance and reinsurance.
<b>London Metal Exchange</b>	(banking/finance) A commodity exchange whose members, approximately 110 in number, deal in copper, lead, zinc, and tin. Contact: London Metal Exchange, 56 Leadenhall Street; London EC3A 2DX, UK; Tel: [44] (20) 7264-5555; Fax: [44] (20) 7680-0505; Web: <a href="http://www.lme.co.uk">www.lme.co.uk</a> .
<b>London Tanker Brokers' Panel</b>	(shipping) A body made up of representatives of six London-based shipping organizations which will make an independent assessment or award of compensation for a voyage, contract or demurrage based upon historical

	market information in return for a fee. The Panel also establishes the terms of reference for AFRA (Average Freight Rate Assessment) and publishes AFRA. The six member organizations are: Clarksons ( <a href="http://www.clarksons.com">www.clarksons.com</a> ); John I. Jacobs PLC; Davies and Newman Wake Ltd. (E-mail: <a href="mailto:bunkers@wakemarine.ltd.uk">bunkers@wakemarine.ltd.uk</a> ); Howard Houlder and Partners Ltd.; Gibson ( <a href="http://www.gibsons.co.uk">www.gibsons.co.uk</a> ); and Galbraith's Ltd. ( <a href="http://www.galbraiths.co.uk">www.galbraiths.co.uk</a> ).
<b>long form</b>	A form (document) that has terms and conditions printed on the reverse (back) of the form. For example, a long form bill of lading has the terms and conditions of carriage printed on the reverse. The long form bill of lading is preferred in international transactions. See short form.
<b>long of exchange</b>	(banking/foreign exchange) When a trader in foreign currency holds foreign bills in an amount exceeding the bills of his or her own that have been sold and remain outstanding, the trader is long of exchange.
<b>long ton</b>	(measure) A unit of mass or weight measurement equal to 2,240 pounds. A short ton is 2,000 pounds.
<b>longshoreman</b>	(shipping) A laborer who loads and unloads ships at a seaport. See stevedore; gang.
<b>lorry</b>	(UK term) British for truck.
<b>loss</b>	<p>(insurance) A reduction in the quantity, quality, or value of something. Marine cargo insurance losses can occur from a wide variety of reasons including theft; piracy; barratry (unlawful acts by the master or members of a vessel's crew); jettisoning (throwing cargo overboard in time of emergency to save a ship at sea); sinking of a vessel; cargo or containers going overboard in a storm or as a result of improper stowage; damage to cargo while loading, shifting during voyage, or unloading; or exposure to the elements; to name but a few.</p> <p>The losses can be partial or total, and the delay of delivery of perfectly maintained goods can result in loss of market. The types and extent of losses covered by the insurance policy are stated in detail within the contract. When a loss occurs is not the best time to be reviewing contract details for the first time.</p>
<b>loss of market</b>	(business/insurance) A business loss where sound cargo is refused, for whatever reason, by the consignee upon arrival. Loss of market losses are considered business losses, and are not recoverable under marine cargo insurance policies. The standard example is undamaged Christmas trees arriving in January (past season).
<b>loss of specie</b>	(insurance) An actual total loss when goods arrive so damaged as to cease to be a thing of the kind insured. Examples include cement arriving as rock, or textiles as rags. See total loss, constructive total loss.
<b>lot labels</b>	(shipping) Labels attached to each piece of a multiple lot shipment for identification purposes.
<b>loti</b>	The currency of Lesotho. L1=100 lisente. Plural of loti is maloti (M).
<b>Low Value Shipment Program (LVS Program)</b>	<p>(Canada Customs) Also called the Courier/LVS Program.</p> <p>A Canada Customs program designed to streamline the processing of low-value shipments through customs while providing the courier industry with expedited release.</p> <p>Fundamental aspects of the Courier/LVS Program include:</p> <p>A combined cargo report and release document called the "cargo/release list" for goods valued under \$1,600 CAN</p> <p>Expedited release of qualifying shipments based on the information contained on the cargo/release list</p>

	<p>Accounting for duties and taxes on these shipments on a consolidated monthly entry or CADEX transmission on an "F" type entry</p> <p>Compliance verification of courier and importer records by the CBSA to validate proper and complete accounting.</p> <p>For more information go to <a href="http://www.cbsa-asfc.gc.ca/import/courier/courier/menu-e.html">www.cbsa-asfc.gc.ca/import/courier/courier/menu-e.html</a>.</p>
<b>lower deck</b>	(logistics) A lower, or the lowest, cargo holding area of an airplane or a ship.
<b>lower deck containers</b>	(shipping) Carrier owned containers specially designed as an integral part of the aircraft to fit in the cargo compartments (lower deck) of a wide body aircraft.
<b>lump of labor fallacy</b>	(economics) The fallacious theory that an ever-increasing population leads to an ever-increasing rate of unemployment because there are only a fixed number of jobs to go around. The resurgence of this theory is an effort by some European nations to reduce the legal workweek as a means of reducing unemployment.
<b>lumper</b>	(logistics/trucking) A laborer who assists a motor carrier or truck driver in the loading or unloading of cargo. See lumping.
<b>lumping</b>	(logistics/trucking) The assistance given to a motor carrier, specifically a truck driver, in the loading and unloading of cargo. This practice occurs most commonly in the food and produce industries. The laborers (lumpers) may be paid by the terminal operator or by the driver. See lumper.
<b>LVS (Courier LVS)</b>	(Canada) Low Value Shipment. A Canada Border Services Agency (CBSA) program that speeds the release of low-value entries of up to C\$1,600 for commercial imports by approved carriers. Information at Web: <a href="http://cbsa-asfc.gc.ca/import/courier/lvs-efv/proc-eng.html">http://cbsa-asfc.gc.ca/import/courier/lvs-efv/proc-eng.html</a> .
<b>Maastricht (Treaty)</b>	<p>(European Union) The popular name for the European Treaty for Economic Union. A treaty, signed in the Dutch city of Maastricht on February 7, 1992, that changed the name of the European Community (EC) to the European Union (EU) and paved the way for further European integration. In addition to the change in name, the major aims of the treaty were: 1) Monetary union. To abolish existing European currencies and replace them with the Euro. (This was achieved as of January 1, 2002.) In addition, to create a European Central Bank (ECB) to assume the various functions of the central banks of the member states in establishing monetary policy. 2) Political and military integration. To work towards a common foreign policy and a joint military force. (These goals have proved to be more controversial than monetary union as they have been seen to infringe upon the very core of national sovereignty.) And 3) Common citizenship. To establish common EU citizenship for nationals of all member states.</p> <p>The ratification of the treaty was a sometimes dramatic affair during the course of 1992 and 1993. National referendums were held in France, Spain, and Ireland and twice in Denmark. The Danes initially voted to reject the treaty prompting the UK and Italy to withdraw from the European Exchange Rate Mechanism. The French voted narrowly in favor in September 1992.</p> <p>Low-income countries such as Spain and Ireland, however, voted clearly for ratification as they stood to benefit the greatest from the treaty. By November 1992 all member states except Denmark and Great Britain had ratified the treaty. At a summit meeting in Edinburgh in December 1992, compromises were made which led to Danish ratification in a second referendum in May 1993 and to ratification in the UK in July 1993. The treaty was formally ratified by all member states on November 1, 1993.</p>

	See European Union.
<b>Maatschappij (Mij.)</b>	(Netherlands) Designation for a combination of two or more persons who enter into a joint arrangement to conduct certain business activities.
<b>macroeconomics</b>	(economics) (a) The study of statistics (e.g., total consumption, total employment) of an economy as a whole, rather than as single economic units. (b) Synonymous with aggregate economics. See microeconomics.
<b>made whole</b>	<p>(insurance) Insurance coverage, and by extension, an insurance settlement from an loss, that puts the insured in the same financial position (to be made whole) as before the loss. In marine cargo insurance, this requires that the insured take out insurance for all the costs of the shipment, including: invoice cost, packaging, inland freight, ocean freight, forwarder charges, consular fees, and even insurance premiums.</p> <p>Exporters cover their loss of profits by insuring for their sales invoice value. Importers on the other hand, if they want to insure against lost profits, must ask for the valuation clause known as "Selling Price Less Incurred Expenses." Otherwise, the importer will recoup only their purchase price plus related expenses, including customs duty if elected.</p> <p>Cargo insurance is typically written with a 10 percent loading or policy advance. This additional 10 percent of the value is not necessarily intended to cover loss of profit. The intent is to cover costs overlooked in the original calculations, as well as unexpected costs like losses due to currency fluctuation.</p> <p>Valuation can be handled two ways: through a valuation clause, or by use of a formula. If a valuation clause is used, the insurance premium is itself included in the valuation as a specific item to which the increase also applies. A typical valuation cause reads:</p> <p>valued premium included at amount of invoice, including all charges in the invoice and including prepaid and/or advanced and/or guaranteed freight, if any, plus _____%.</p> <p>This is usually 10% on exports.</p>
<b>mail entry</b>	<p>(U.S. Customs) A means of shipping and entering goods into the Customs Territory of the United States. Mail entry has several advantages as well as several limitations.</p> <p>1) Duties on parcels valued at US\$1,200 or less are collected by the letter carrier delivering the parcel to the addressee. 2) No formal entry paperwork is required on duty-free merchandise not exceeding US\$1,200 in value. 3) There is no need to clear shipments personally if under US\$1,200 in value.</p> <p>Joint Customs and postal regulations provide that all international parcel post packages must have a Customs declaration securely attached giving an accurate description and the value of the contents. This declaration is obtained at post offices. Commercial shipments must also be accompanied by a commercial invoice enclosed in the parcel bearing the declaration.</p> <p>Parcels and packages not labeled or endorsed properly and found to contain merchandise subject to duty or taxes</p>

	<p>are subject to forfeiture.</p> <p>If the value of a mail importation exceeds US\$1,250, the addressee is notified to prepare and file a formal Customs entry (consumption entry) for it at the nearest Customs port.</p> <p>A mail entry limit of US\$250 has been set for a number of articles classified in sub-chapters III and IV, chapter 99, of the Harmonized Tariff Schedule of the U.S. as an exception to the above US\$1,250 limit. Items on this list include billfolds, feathers, flowers, footwear, fur, gloves, handbags, headwear, leather, luggage, millinery, pillows, plastics, skins, rubber, textiles, toys, games, sports equipment and trimmings.</p> <p>Unaccompanied shipments of made-to-measure suits from Hong Kong require a formal entry regardless of value.</p> <p>See entry; consumption entry.</p>
<b>main carriage</b>	(shipping) The primary transport of goods, generally for the longest part of the journey, and generally from one country to another. Usually by sea vessel or by airplane, but also by truck, rail, or inland waterway. See pre carriage, onward carriage.
<b>mala fide</b>	(law) In bad faith. A seller's representation that goods are usable for a particular purpose when in fact the seller knows that the goods are not is a representation made mala fide.
<b>Malagasy Ariary</b>	The currency of Madagascar. AR1 = 5 iraimbilanja.
<b>malicious damage</b>	(insurance) Damage to cargo caused by malicious persons.
<b>manat</b>	The currency of Azerbaijan. 1 manat = 100 gopik.
<b>manifest</b>	(shipping) A document giving the description of a ship's cargo or the contents of a car or truck.
<b>Manufactured Imports and Investment Promotion Organization (MIPRO)</b>	(Japan) A non-profit organization, established in 1978 by the joint efforts of the Japanese Government and the private sector to promote imports of foreign manufactured products by hosting exhibitions and providing market information. MIPRO's activities are broadly classified into three categories: (1) holding imported product trade exhibitions for buyers and the general public; (2) disseminating information regarding imported products and the Japanese market; and (3) promoting sales of foreign products to Japanese consumers to promote recognition of the quality of imported goods. Contact: Manufactured Imports Promotion Organization; 6th floor; World Import Mart Building; Sunshine City, 3-1-3; Higashi-ikebukuro, Toshima-ku, Tokyo 170-8630, Japan; Tel: [81] (3) 3988-2791; Web: <a href="http://www.mipro.or.jp/english">www.mipro.or.jp/english</a> .
<b>manufacturing resources planning</b>	See MRP.
<b>maquila</b>	(Mexico) See maquiladora.
<b>maquiladora</b>	(Mexico) A manufacturing or assembly plant located in Mexico where raw materials, component parts and support equipment (such as computers, administrative materials and transportation equipment) are imported duty- and license-free and whose production is exported, often to the United States, for low or no import duty. These plants are located primarily along the Mexico-U.S. border and enjoy other exemptions from Mexican laws governing foreign companies.

	<p>The Maquiladora program was established in 1965 after a 1942 U.S.-Mexican program to assist Braceros (extremely poor Mexican migrant farm workers living along the Mexican border), was abolished in 1964. In 1989 the program was liberalized further to make it an even more attractive and dynamic sector of the economy.</p> <p>The maquiladora system is also called an "in-bond" or "free trade zone" program as raw materials, component parts and support equipment is imported under bond with the stipulation that it eventually be reexported.</p> <p>Critics charge that these plants are notorious for environmental degradation, low wages and poor working conditions.</p> <p>Proponents respond that the plants provide needed jobs to Mexican workers, provide the second largest source of foreign income to the country (after oil exports) and lessen the flow of illegal immigration to the United States.</p> <p>From Spanish, the word is pronounced mah-kee-lah-DOH-rah. It is usually shortened to maquila (mah-KEE-lah).</p>
<b>margin</b>	<p>(general) The difference between the cost of sold items and the total net sales income.</p> <p>(finance) The difference between the market value of collateral pledged to secure a loan and the face value of the loan itself.</p> <p>(investments--U.S.) The amount paid by the customer when he or she uses a broker credit to buy a security under Federal Reserve regulations, the initial margin required in past decades has ranged from 50 to 100 percent of the purchase price.</p> <p>(finance) The spread between bid and asked rates</p> <p>(foreign exchange) The good faith deposit which the writer of an option or the buyer of a forward or futures contract has to put up to cover the risk of adverse price movements.</p>
<b>marginal cost</b>	(economics) The increase in the total cost of production that results from manufacturing one more unit output.
<b>marine cargo insurance</b>	(insurance) Broadly, insurance covering loss of, or damage to, goods at sea. Marine insurance typically compensates the owner of merchandise for losses in excess of those which can be legally recovered from the carrier that are sustained from fire, shipwreck, piracy, and various other causes. See marine insurance, special marine policy, all risk.
<b>Marine Extension Clause 1943 &amp; 1952</b>	(insurance) An insurance extension which broadens warehouse-to-warehouse insurance coverage by eliminating the requirement that ordinary course of transit be maintained as well as the 15- or 30-day time limit at destination. Moreover, continuation of coverage is provided when certain conditions necessitate discharge of goods from vessel at a port other than the original destination. The most recent form of Marine Extension Clause was developed in 1952. It too provides for extensions as does the 1943 version, and adds that the assured will act with reasonable dispatch. The Warehouse-to-Warehouse Clause is now found in practically all open cargo policies. See warehouse-to-warehouse.
<b>marine insurance</b>	(insurance) A specialized form of insurance that covers loss or damage to ships, ship hulls, cargo carried on marine vessels, airplanes, trucks, wharves, ports, harbors, container terminals, oil platforms, and drilling rigs, as well as

	<p>certain liabilities that may devolve to ship owners and operators as a result of their activities.</p> <p>Technically, marine insurance is divided into two categories: inland marine insurance and ocean marine insurance. The former deals with risk of loss to moving or movable property (transport vehicles and cargo). The latter with international transport by sea and air.</p> <p>See also marine cargo insurance.</p>
<b>Marine Pre-Arrival Review System (MarinePARS)</b>	(Canada Customs) See Pre-Arrival Review System (PARS).
<b>marine protection and indemnity insurance</b>	(insurance) Insurance against legal liability of the insured for loss, damage, or expense arising out of or incident to the ownership, operation, chartering, maintenance, use, repair, or construction of any vessel, craft, or instrumentality in use in ocean or inland waterways, including liability of the insured for personal injury or death, and for loss of or damage to the property of another person.
<b>MarinePARS</b>	(Canada Customs) See Pre-Arrival Review System.
<b>maritime</b>	Business pertaining to commerce or navigation transacted upon the sea or in seaports in such matters as the court of admiralty have jurisdiction over, concurrently with the courts of common law.
<b>market</b>	(economics) a) The interaction between supply and demand to determine the market price and corresponding quantity bought and sold. a) The determination of economic allocations by decentralized, voluntary interactions among those who wish to buy and sell, responding to freely determined market prices.
<b>market access</b>	(economics) The openness of a national market to foreign products. Market access reflects a government's willingness to permit imports to compete relatively unimpeded with similar domestically produced goods.
<b>Market Access Program (MAP)</b>	(U.S.) A U.S. government program authorized by the U.S. Food, Agriculture, Conservation, and Trade Act of 1990 and administered by the U.S. Department of Agriculture's Foreign Agricultural Service. Under the MPP, surplus stocks or funds from the Commodity Credit Corporation are used to partially reimburse agricultural organizations conducting specific foreign market development projects for eligible products in specified countries. Proposals for MPP programs are developed by trade organizations and private firms. Activities financed by the programs vary from commodity to commodity, and include activities such as market research, construction of a three-story wood demonstration building, construction of a model feed mill, and consumer promotion activities. (MPP is similar to the Targeted Export Assistance (TEA) program which was repealed by the 1990 Farm Bill.) Contact: U.S. Department of Agriculture; Foreign Agriculture Service; Marketing Operations Staff; 1400 Independence Ave.; Washington, DC 20250 USA; Tel: [1] (202) 720-4327; Web: <a href="http://www.fas.usda.gov/mos/programs/map.asp">www.fas.usda.gov/mos/programs/map.asp</a> .
<b>market disruption</b>	(economics) The situation created when a surge of imports in a given product area causes sales of domestically produced goods in a particular country to decline to such an extent that the domestic producers and their employees suffer major economic hardship.
<b>market economy</b>	(economics) An economic system where resources are allocated and production of products determined by market forces rather than by government decree.
<b>market price</b>	(economics) (a) The price established in the market where buyers and sellers meet to buy and sell similar products. (b) The price determined by factors of supply and demand rather than by decisions made by management.

<b>Market-Oriented Cooperation Plan</b>	(U.S./Japan) A U.S. Japan trade agreement aimed at improving long-term business relations between Japan's automotive manufacturers and U.S. auto parts suppliers.
<b>Market-Oriented Sector-Selective</b>	(U.S./Japan) Bilateral trade discussions between the U.S. and Japan begun in January 1985 in an effort to remove many trade barriers at once in a given sector. MOSS talks have focused on five sectors: (1) telecommunications, (2) medical equipment and pharmaceuticals, (3) electronics, (4) forest products, and (5) auto parts. Overall, the talks focus high-level attention on reducing certain market obstacles opening communication channels to resolve follow-up disputes.
<b>marking: country of origin</b>	The physical markings on a product that indicate the country of origin where the article was produced.  (U.S. Customs) U.S. Customs laws require each imported article produced abroad to be marked in a conspicuous place as legibly, indelibly, and permanently as the nature of the article permits, with the English name of the country of origin, to indicate to the ultimate purchaser in the United States the name of the country in which the article was manufactured or produced. Articles which are otherwise specifically exempted from individual marking are an exception to this rule. See United States Customs Service.
<b>markka</b>	The former currency of Finland. 1Fmk=100 pennia. The new currency of Finland is the European Union Euro. i1 = 100 cents.
<b>marks</b>	(shipping) Information placed on outer surface of shipping containers or packages such as address labels, identifying numbers, box specifications, caution, or directional warnings.
<b>markup</b>	See premium.
<b>master air waybill (MAWB)</b>	(logistics) An air waybill of lading that covers a consolidated shipment of goods and lists the consolidator as the shipper. See bill of lading, air waybill.
<b>master's protest</b>	See captain's protest.
<b>matador bond</b>	(banking/finance) Bond issued on the Spanish market, denominated in currencies other than the peseta.
<b>Matchmaker Program</b>	(U.S.) Matchmaker trade delegations are organized and led by the U.S. International Trade Administration to help new-to-export and new-to-market firms meet prescreened prospects who are interested in their products or services in overseas markets. Matchmaker delegations usually target two major country markets in two countries and limit trips to a week or less. This approach is designed to permit U.S. firms to interview a maximum number of prospective overseas business partners with a minimum of time away from their home office. The program includes U.S. embassy support, briefings on market requirements and business practices, and interpreters' services. Matchmaker events, based on specific product themes and end-users, are scheduled for a limited number of countries each year. Contact: International Trade Administration; Department of Commerce; 14th and Constitution Ave. NW; Washington, DC 20230 USA; Tel: [1] (202) 482-2000. See new-to-export; new-to-market.
<b>mate's receipt</b>	(shipping) A declaration issued by an officer of a vessel in the name of the shipping company stating that certain goods have been received on board his vessel. A mate's receipt is not a title document. Used as an interim document until the bill of lading is issued.
<b>material contract terms</b>	(law) Terms that are necessary to the agreement. Clauses that describe the goods, fix the price, and set the delivery date are examples of material contract terms.

<b>material fact</b>	(insurance) Any fact which may influence the judgement of a prudent underwriter in deciding whether to accept a risk and if so at what rate of premium. Under the principle of "utmost good faith," it is the responsibility of anyone seeking insurance to disclose all the material facts about the risks that he or she knows, or should know.
<b>material safety data sheets (MSDS)</b>	A document prepared by a supplier or manufacturer of potentially hazardous materials and products that details safety information and procedures for handling or using a substance, material or product. Material safety data sheets typically contain: a listing of hazardous ingredients and components, proper handling procedures, first aid instructions and emergency response and reporting procedures. Such data sheets are designed to be an aid for both workers and users and are distributed with such materials and products in industrial and retail settings.
<b>maximum payload</b>	(logistics) The maximum weight limit of cargo that a particular transportation vehicle can carry.
<b>measurement cargo</b>	(shipping) A cargo on which the transportation charge is assessed on the basis of measurement.
<b>measurement ton</b>	(shipping) Also known as a cargo or freight ton. A space measurement usually 40 cubic feet or one cubic meter. The cargo is assessed a certain rate for every 40 cubic feet of space it occupies.
<b>medium of exchange</b>	(economics) Any commodity (commonly money) which is widely accepted in payment for goods and services and in settlement of debts, and is accepted without reference to the standing of the person who offers it in payment.
<b>memorandum bill of lading</b>	(shipping) The duplicate copy of a bill of lading. See bill of lading.
<b>memorandum of understanding (MOU)</b>	(general) An informal record, document or instrument that serves as the basis of a future contact.  (U.S.) A very detailed document devised by executive branch agencies of the government in areas such as aviation and fisheries that serve as agreements between nations.
<b>memorandum tariff</b>	(shipping) Publications which contain rule and rate information extracted from official tariffs. Memorandum tariffs are published by many carriers and are available from these carriers upon request. See tariff.
<b>mercantilism</b>	(economics) A prominent economic philosophy in the 16th and 17th centuries that equated the accumulation and possession of gold and other international monetary assets, such as foreign currency reserves, with national wealth. Although this point of view is generally discredited among 20th and 21st century economists and trade policy experts, some contemporary politicians still favor policies designed to create trade "surpluses," such as import substitution and tariff protection for domestic industries, as essential to national economic strength.
<b>merchandise processing fee (MPF)</b>	(U.S. Customs) A user fee collected by the U.S. Customs and Border Protection (CBP) for imports as follows: 0.3464 percent ad valorem on formally-entered imported merchandise (generally entries valued over US \$2,000), subject to a minimum fee of \$25 per entry and a maximum fee of \$485 per entry. On informal entries (those valued at less than \$2,000), the MPFs are: \$2 for automated entries, \$6 for manual entries not prepared by Customs, and \$9 for manual entries that are prepared by Customs. See user fees.
<b>merchandise trade balance</b>	See balance of payments.
<b>merchant bank</b>	(banking) A term used in Great Britain for an organization that underwrites securities for corporations, advises such clients on mergers, and is involved in the ownership of commercial ventures.
<b>merchant's credit</b>	(banking) A letter of credit issued by the buyer himself. Contains no commitment whatever on the part of a bank. See letter of credit.
<b>merchant's haulage</b>	(shipping) The inland move from or to a port that has all arrangements made by the cargo interests (seller/exporter).

<b>Mercosur</b>	(regional trade alliance) Mercosur (Spanish; Mercosul in Portuguese) or Southern Common Market, is comprised of Argentina, Brazil, Paraguay, and Uruguay. Mercosur is scheduled to enter into force in December 1994 for Argentina and Brazil and to enter into force in December 1995 for Paraguay and Uruguay. Mercosur, modeled similarly to the European Community's Treaty of Rome, will establish a common external tariff and eliminate barriers to trade in services. Chile has not sought entry to Mercosur, but does have an agreement with Argentina which will provide for some similar benefits.
<b>merry-go-round</b>	(banking/finance/foreign exchange) The circulation of money through various sources, ending up where it started. For instance, the German Central Bank recycles excess capital by selling U.S. dollars to banks under a repurchase agreement and the banks place the U.S. dollars in the Euromarket. As the financial institutions could run up a U.S. dollar debt on the Euromarket, the Central Bank must buy back the U.S. dollars and sell domestic currency to avoid an excessive increase in the mark.
<b>meter</b>	(measure) A unit of linear measure equal to 39.37 inches (approximately). See Weights and Measures in the Appendix.
<b>metical</b>	The currency of Mozambique. Mt1=100 centavos.
<b>metric system</b>	(measurement) A decimal system of weights and measures based on the meter of approximately 39.37 inches and the kilogram of approximately 2.2046 pounds. See Weights and Measures in the Appendix.
<b>metric ton</b>	(measure) A unit of mass or weight measure equal to 2,204.6 pounds or 1,000 kilograms preferably called kiloton.
<b>microbridge</b>	(shipping) A landbridge movement in which cargo originating/destined to an inland point is railed or trucked to/from the water port for a shipment to/from a foreign country. Carrier is responsible for cargo and costs from origin to destination.
<b>microcredit</b>	The extension of very small loans to entrepreneurs who lack collateral, steady employment and credit history, and are therefore not considered good credit risks by traditional banks. Microcredit has existed in a number of forms for hundreds of years, but has gained notoriety in the face of defaults on massive international development loans and the rise of Muhammad Yunus' Grameen Bank (and others). Rather than filter money through bloated and corrupt bureaucracies, microcredit seeks to deliver investment money directly to those at the very bottom of the economic ladder, and has had remarkable successes, especially among women in undeveloped countries. See also Grameen Bank.
<b>microeconomics</b>	(economics) The examination of the economic behavior of individual units in an economy, such as households or corporations. See macroeconomics.
<b>milestone</b>	In project management, a scheduled event that marks the completion of a defined phase of work or the transfer of a deliverable. A milestone event is a project checkpoint designed to help evaluate progress and make decisions related to payments and the future of a project.
<b>Military Critical Technologies List</b>	(U.S.) A document listing technologies that the U.S. Defense Department considers to have current or future utility in military systems. The MCTL describes arrays of design and manufacturing know-how; keystone manufacturing, inspection, and test equipment; and goods accompanied by sophisticated operation, application, and maintenance know-how. Military justification for each entry is included in a classified version of the list. See United States Department of Defense.
<b>minibridge</b>	(shipping) Movement of cargo from a port over water, then over land to a port on an opposite coast.

<b>minimum bill of lading</b>	(shipping) Ocean bills of lading are known as minimum because they contain a clause which specifies the least charge that the carrier will make for the issuance of a lading. The charge may be a definite sum, or the current charge per ton or for any specified quantity of cargo. See bill of lading.
<b>minimum charge</b>	(shipping) The lowest rate applicable on each type of cargo service no matter how small the shipment.
<b>Ministry of Economy, Trade and Industry (METI)</b>	(Japan) METI occupies a central position in Japan's "economic bureaucracy" and is regarded as one of the three most powerful and prestigious ministries of the central government (along with the Ministry of Finance and the Ministry of Foreign Affairs). In formulating and implementing Japan's trade and industrial policies, METI is responsible for funding most of Japan's export promotion programs (although operation of these programs is left to JETRO). The Ministry also supervises the export financing programs of Japan's Export-Import Bank, operates several types of export insurance programs, supports research organizations, and facilitates various types of overseas technical and cooperation training programs. Lately, METI has assumed a role in encouraging imports of foreign products into Japan. Contact: Ministry of International Trade and Industry; 1-3-1, Kasumigaseki 1-chome; Chiyoda-ku, Tokyo 100-8901, Japan; Tel: [81] (3) 3501-1511; Web: <a href="http://www.meti.go.jp/english/index.html">www.meti.go.jp/english/index.html</a> .
<b>Ministry of Foreign Economic Relations and Trade (MOFERT)</b>	Renamed Ministry of Foreign Economic Trade and Economic Cooperation. See Ministry of Foreign Economic Trade and Economic Cooperation.
<b>Ministry of Foreign Economic Trade and Economic Cooperation</b>	(China) The People's Republic of China (PRC) Ministry of Foreign Economic Trade and Economic Cooperation implements national trade policies through administrative actions, drafting laws and issuing foreign trade regulations. It does not engage in foreign trade transactions but facilitates the foreign trading corporations (FTCs) which do. Contact: Ministry of Foreign Trade & Economic Cooperation (MOFTEC); 2 Dongchangan Ave.; Beijing 100731, China; Tel: [86] (10) 6528-4671; Fax: [86] (10) 6559-9340; Web: <a href="http://english.mofcom.gov.cn">http://english.mofcom.gov.cn</a> .
<b>Minitel</b>	(France) The still used, but now outdated, French online telephone directory and information source.
<b>mission critical</b>	Any operation, data, or system that is fundamental to the success of a project or endeavor. Such functions cannot tolerate intervention, compromise, or shutdown without causing the endeavor to fail. For example, R&D and product design might be a firm's core competencies, but an e-commerce firm's computer system is mission-critical.
<b>mitigation of damages</b>	(law/insurance) A legal doctrine that charges a party who suffers contract damages with a duty to use reasonable diligence and ordinary care in attempting to minimize damages or avoid aggravating the injury. If a seller of oranges, for example, is entitled to prepayment before shipment and the buyer fails to pay, the seller should make a reasonable attempt to sell the oranges to another buyer before they spoil so as to mitigate the seller's damages. The seller may then recover from the breaching buyer the difference between the contract price and the price at which the oranges were sold to the other buyer.  The concept also applies to insurance where the insured has the responsibility to minimize damages to an insured cargo shipment.
<b>mixed credit</b>	(banking) The combining of concessional (liberal) and market-rate export credit as an export promotion mechanism.
<b>mixed load</b>	(logistics) A shipment of goods that includes regulated and exempt commodities in the same vehicle at the same time.

<b>modal split</b>	(logistics) A measure of an individual company's or organization's use of different modes of transport. Modal split can be expressed in terms of numbers of shipments, tonmiles/kilometers, expenses or revenues. For example, modal split in percentages by cost: air 34%, sea 47%, truck 19%.
<b>moiety claim</b>	(customs, law) A legal claim for compensation by an individual who provides information to a government entity that results in the recovery of unpaid duties or "ill gotten gains." Moietie is French for half, but can also mean either of two parts that may not be of equal size. Moiety claims in the US are often for 25 percent of the recovered amount.).
<b>monetary instrument</b>	See financial instrument.
<b>monetary system</b>	(banking) The authority of the state in matters of establishing monetary policy, including determining the monetary unit, the monetary authorities, and the ways in which money is issued and the way the money supply is controlled.
<b>money</b>	(banking) Any denomination of coin or paper currency of legal tender that passes freely as a medium of exchange; anything that is accepted in exchange for other things (e.g., precious metals). Major characteristics of money include easy recognition, uniformity in quality, easy divisibility, and a relatively high value within a small area.
<b>money creation</b>	(banking) The increase in money supply by the central or commercial banks.
<b>money laundering</b>	(law) A popular term used to describe the process by which criminals disguise the nature, location, source, ownership or control of illicitly acquired funds. Money laundering typically involves three steps: 1) Placement: Physically placing cash at a domestic or offshore location, such as in a business or bank, 2) Layering: Establishing layers of complex financial transactions to obscure the money's source, location and ownership, and 3) Integration: Establishing legitimate but false explanations as to the origin of the funds.
<b>money market</b>	(banking/finance) The market for short-term financial instruments, such as certificates of deposit, commercial paper, banker's acceptances, Treasury bills, discount notes and others. These instruments are all liquid and tend to be safe. See capital market, financial market.
<b>money market operations</b>	(banking) Comprises the acceptance and re-lending of deposits (see time deposits) on the money market.
<b>money supply</b>	(economics/banking) The amount of domestic cash and deposit money available in an economy.
<b>moor</b>	(shipping) To secure a vessel to an anchor, buoy or pier.
<b>moorage</b>	(shipping) Charges assessed for mooring a vessel to a pier or wharf.
<b>moral hazard</b>	(insurance) An insurance situation where the risk of loss is increased as a result of an insured's carelessness, incompetence, recklessness, indifference to loss, or fraudulent nature. From the insurer's perspective, a situation where the lessening of risk to the insured can increase the potential for loss.
<b>moral right (droit moral)</b>	(law) Rights of attribution and integrity granted by the laws of certain countries to the authors of literary, dramatic, musical and artistic works, as well as to film directors.  Attribution is the right of the true author, creator or film director to be identified as such on the work (such as on the cover of a book or in the credits of a film). In the same manner, non-authors are prevented from attaching their names to the legitimate artistic work of another person.  Integrity is the right of the true author, creator or film director to object to the derogatory treatment of the work or film when it amounts to a distortion or mutilation of the work or is otherwise prejudicial to the honor or reputation of the author or director.

	<p>Moral rights are different from economic rights under copyright and other laws that deal with property. In most countries where such rights are recognized, moral rights are perpetual, inalienable and descend to the heirs of the creators of the artistic works. Moral rights are not mentioned in the Berne Convention, but are common in civil law countries (especially in France), but not recognized in other countries (including the United States).</p> <p>Moral rights include such rights as:</p> <p>Right of disclosure --The right of an author to have the final decision as to when and where the work will be published ( droit de divulgation ).</p> <p>Right to withdraw or retract--The right of an author, who has changed his views on a subject, to purchase, at wholesale prices, the remaining copies of a work, and to prevent the printing of more copies of the work ( droit de retrait ou de repentir ).</p> <p>Right to reply to criticism --The right of an author to reply to a critic and to have the reply published in the same venue as that of the critic.</p> <p>Moral rights are based on the concept that a creative work is an extension of the author's character and personality and is therefore not transferable as is a property right such as copyright.</p> <p>Moral rights generally do not apply to computer programs, situations where the ownership of a work was originally vested in an author's employer, material used in newspapers or magazines, or reference works such as dictionaries or encyclopedias.</p>
<p><b>Most Favored Nation (MFN)</b></p>	<p>A non-discriminatory trade policy commitment on the part of one country to extend to another country the lowest tariff rates it applies to any other country.</p> <p>(WTO) All contracting parties to the World Trade Organization (WTO) undertake to apply such treatment to one another under Article I of the treaty.</p> <p>Under MFN principles, when a country agrees to cut tariffs on a particular product imported from one country, the tariff reduction automatically applies to imports of this product from any other country eligible for most-favored nation treatment. This principle of nondiscriminatory treatment of imports appeared in numerous bilateral trade agreements prior to establishment of the WTO. A country is under no obligation to extend MFN treatment to another country unless both are bilateral contracting parties of the World Trade Organization or MFN treatment is specified in a bilateral agreement.</p> <p>(U.S.) The most favored nation principle was a feature of U.S. trade policy as early as 1778. Since 1923 the United States has incorporated an "unconditional" Most Favored Nation clause in its trade agreements, binding the contracting governments to confer upon each other all the most favorable trade concessions that either may grant to any other country subsequent to the signing of the agreement. The United States now applies this provision to its trade with all of its trading partners except for those specifically excluded by law. As a result of the controversy</p>

	around granting China MFN status, the U.S. has changed MFN to "Normal Trade Relations." See normal trade relations, Harmonized Tariff Schedule of the United States.
<b>mother vessel/mother ship</b>	(shipping) A vessel (ship) that loads cargo from feeder vessels or offloads cargo to lighters without entering a port or without docking at a pier. This often occurs when the draft of the vessel is greater than the maximum depth of the channel leading to a port or of the of the port itself.
<b>motor carrier's terminal</b>	(shipping) The place where loaded or empty shipping containers are received or delivered by a motor carrier and where the motor carrier maintains an equipment pool.
<b>motor vehicle</b>	(shipping) Any vehicle, machine, tractor, trailer or semi-trailer propelled or drawn by mechanical power and used upon the highways in the transportation of passengers or property.
<b>MRP</b>	(manufacturing/logistics) Acronym for Manufacturing Resources Planning. A materials procurement planning system that uses the production plan for finished goods to determine what raw materials and component parts will be required to make the product. MRP involves planning for the collection, stocking and distribution of raw materials and component parts in the manufacturing process. MRP focuses on materials and inventories rather than personnel and equipment. MRP software is available from a number of firms. See MRP II, ERP.
<b>MRP II</b>	(logistics) Acronym for Manufacturing Resources Planning II. A further development of MRP which includes production planning and scheduling, shop-floor control, financial management, forecasting, order processing and performance measurement. MRP II software is available from a number of firms. See MRP.
<b>Multi-Fiber Arrangement, textiles (MFA)</b>	<p>(WTO) An international compact under the World Trade Organization (WTO) that allows an importing signatory country to apply quantitative restrictions on textiles imports when it considers them necessary to prevent market disruption.</p> <p>The MFA provides a framework for regulating international trade in textiles and apparel with the objectives of achieving "orderly marketing" of such products, and of avoiding "market disruption" in importing countries. It provides a basis on which major importers, such as the United States and the European Community, may negotiate bilateral agreements or, if necessary, impose restraints on imports from low-wage producing countries. It provides, among other things, standards for determining market disruption, minimum levels of import restraints, and annual growth of imports.</p> <p>The MFA provides that such restrictions should not reduce imports to levels below those attained during the preceding year. Bilateral agreements usually allow for import growth tied to anticipated greater demand.</p> <p>Since an importing country may impose such quotas unilaterally to restrict rapidly rising textiles imports, many important textiles-exporting countries consider it advantageous to enter into bilateral agreements with the principal textiles-importing countries.</p> <p>The MFA went into effect on Jan. 1, 1974, was renewed in December 1977, in December 1981, and again in July 1986. It succeeded the Long-term Agreement on International Trade in Cotton Textiles ("The LTA"), which had been in effect since 1962. Whereas the LTA applied only to cotton textiles, the MFA now applies to wool, man-made (synthetic) fiber, silk blend and other vegetable fiber textiles and apparel. Note: The MFA will eventually be phased</p>

	out as a result of the Uruguay Round of the General Agreement on Tariffs and Trade. See quotas; bilateral trade agreement; Uruguay Round; General Agreement on Tariffs and Trade.
<b>multicurrency clause</b>	(banking) a clause in a loan agreement stating that more than one currency may be used in paying or redeeming the loan.
<b>multilateral agreement</b>	An international compact involving three or more parties. For example, the World Trade Organization (WTO), has been seeking to promote trade liberalization through multilateral negotiations. See bilateral trade agreement.
<b>Multilateral Investment Fund</b>	Under the Enterprise for the Americas Initiative, the fund complements the Inter-American Development Bank. The fund provides program and project grants to advance specific, market-oriented investment policy initiatives and reforms, and encourages domestic and foreign investment in Latin America and the Caribbean. Contact: Inter-American Development Bank; 1300 New York Avenue NW; Washington, DC 20577; Tel: [1] (202) 623-1000; Web: www.iadb.org.
<b>Multilateral Investment Guarantee Agency (MIGA)</b>	A part of the World Bank Group. MIGA encourages equity investment and other direct investment flows to developing countries through the mitigation of noncommercial investment barriers. The agency offers investors guarantees against noncommercial risks; advises developing member governments on the design and implementation of policies, programs, and procedures related to foreign investments; and sponsors a dialogue between the international business community and host governments on investment issues. Contact: Multilateral Investment Guarantee Agency; World Bank Group; 1818 H Street NW; Washington, DC 20433 USA; Tel: [1] (202) 473-1000; Web: www.miga.org.
<b>multilateral trade negotiations</b>	(GATT/WTO) A term describing the multilateral rounds of negotiations held under the auspices of the General Agreement on Tariffs and Trade (GATT) and World Trade Organization (WTO) since 1947. Each Round represented a discrete and lengthy series of interacting bargaining sessions among the participating Contracting Parties in search of mutually beneficial agreements looking toward the reduction of barriers to world trade. The agreements ultimately reached at the conclusion of each Round became new commitments and thus amounted to an important step in the evolution of the world trading system. See General Agreement on Tariffs and Trade; trade rounds; Tokyo Round; Uruguay Round, World Trade Organization (WTO).
<b>multimodal</b>	(shipping) Use of more than one mode of transport (road, rail, sea, air) to transport goods (or people) from origin to final destination.
<b>multinational corporation</b>	(economics) A corporation having supplier and/or sales networks in more than one country.
<b>multiple-car/trailer load rate</b>	(logistics) A special lower freight rate that applies to a bulk shipment that requires multiple trailers or rail cars.
<b>mutatis mutandis</b>	(law) Meaning changing what needs to be changed; used when cases are nearly the same except for minor details. A statute that governs one type of transaction, for example, may also be applied to another transaction with minor exceptions, in which event the statute applies mutatis mutandis. A country may apply its trademark law mutatis mutandis to service marks, in which event the same law will apply except for changes to account for such details as the use of the mark to distinguish services instead of goods.
<b>Naamloze Vennotschap (N.V.)</b>	(Belgium, Netherlands) Designation for a joint stock company with limited personal liability to shareholders.
<b>NAFTA</b>	See North American Free Trade Agreement.
<b>NAFTA Prior Disclosure</b>	See Prior Disclosure.

<b>NAFTA superhighway</b>	A popular name for a number of existing and proposed highways that are part of the NAFTA "Supercorridor." These include existing US highways Interstate 35, Interstate 29, Interstate 94, and the CANAMEX Corridor.
<b>naira</b>	The currency of Nigeria. ? 1=100 kobo.
<b>nakfa</b>	The currency of Eritrea. Nfa1=100 cents.
<b>named insured</b>	(insurance) Any person, firm, or corporation, or any of its members, specially designated by name as insured(s) in an insurance policy, as distinguished from others who, although unnamed, are protected under some circumstances.
<b>named perils</b>	(insurance) Perils in addition to "perils of the sea" which are often added to marine cargo insurance coverage, typically including theft, pilferage, non-delivery, fresh water damage, sweat damage, breakage, and leakage.
<b>named perils policy</b>	(insurance) A marine cargo insurance policy that limits coverage to perils specifically listed in the policy.
<b>National Association of Export Companies</b>	(U.S.) A non-profit organization established in 1965 to act as the information provider, support clearinghouse forum, and advocate for those involved in exporting and servicing exporters. Provides networking opportunities, counseling, publications, seminars, etc. Contact: Executive Director, NEXCO, PO Box 3949, Grand Central Station, New York, NY 10163 USA; Tel: [1] (877) 291-4901; Web: www.nexco.org.
<b>National Customs Automation Program (NCAP)</b>	<p>(U.S. Customs) A planned U.S. Customs and Border Protection (CBP) automated and electronic system for processing commercial imports into the U.S. The NCAP is the first functionality of the Automated Commercial Environment (ACE). The plan is for the NCAP to include the following existing and planned components:</p> <p>1) Existing components:</p> <p>a) The electronic entry of merchandise. b) The electronic entry summary of required information. c) The electronic transmission of invoice information. d) The electronic transmission of manifest information. e) The electronic payments of duties, fees, and taxes. () The electronic status of liquidation and reliquidation. g) The electronic selection of high-risk entries for examination (cargo selectivity and entry summary selectivity).</p> <p>2) Planned components:</p> <p>a) The electronic filing and status of protests. b) The electronic filing (including remote filing) of entry information with the Customs Service at any location. c) The electronic filing of import activity summary statements and reconciliation. d) The electronic filing of bonds. e) The electronic penalty process. f) The electronic filing of drawback claims, records, or entries. g) Other related components initiated by the CBP.</p> <p>Participation in the Program is voluntary.</p>
<b>National Customs Brokers and Forwarders Association of America</b>	A non-profit organization founded in 1897 which serves as the trade organization of customs brokers and international freight forwarders in the U.S. Through ongoing communications with industry trade publications and the general media, the Association projects the industry's interests and objectives. Membership includes brokers and freight forwarders in 32 affiliated associations located at major ports throughout the U.S. Contact: National Customs Brokers and Forwarders Association of America; 1200 18th Street, NW, Suite 901; Washington, DC 20036 USA; Tel: [1] (202) 466-0222; Web: www.ncbfaa.org.

<b>National Motor Freight Classification (NMFC)</b>	(U.S. logistics) A freight classification schedule of tariffs applicable to less-than-truck-load (LTL) freight shipments. This tariff divides products into one of 18 classes and provides a standard for the pricing of domestic shipments throughout the United States. Contact at: National Motor Freight Traffic Association, Inc., 1001 North Fairfax Street, Suite 600, Alexandria, VA 22314; Tel: (703) 838-1810; Web: www.nmfta.org; Tel: [1] (703) 838-1810.
<b>national security controls</b>	(U.S.) National security controls restrict exports of U.S. goods and technology which would make a significant contribution to the military potential of another country and thus be detrimental to national security.
<b>National Security Directive #53</b>	(U.S.) NSD-53 deals with the export licensing process and sets specified time periods for resolving disputes on both national security and foreign policy export license applications. Under NSD-53, exports controlled on both of these grounds are subject to explicit timetables for interagency dispute resolution at the Sub-Cabinet level by the Advisory Committee on Export Policy (ACEP), and at the cabinet level by the Export Administration Review Board (EARB). The Directive requires escalation to the ACEP not later than 100 days from the filing date of the applicant's application, and if the disagreement cannot be resolved by the ACEP, for review and resolution by the EARB within 35 days of the date of the ACEP meeting. Cases not resolved by the EARB must be escalated to the president for resolution. The new procedures also permit an agency to refer a case at any stage of the dispute resolution process to the NSC for a 30 day policy review. See National Security Directives.
<b>National Security Directives (NSD)</b>	(U.S.) NSDs provide policy or procedural guidance and are signed by the president. In 1989, the president reorganized the national security council committee process (separate from the Export Administration Review Board (EARB)). As reorganized, under the National Security Council (NSC), there are committees for Coordinating Committee for Multilateral Export Controls (CoCom), terrorism, nonproliferation, etc. NSDs were known as National Security Decision Directives, NSDDs, before President Bush's reorganization. NSD-1 reorganized the process; NSD-10 established the committees; NSD-53 deals with export licensing. The scope of coverage and the players are about the same under the NSD and NSDD processes.
<b>National Security Override (NSO)</b>	(U.S.) In some cases of U.S. export law, despite a finding of foreign availability of a controlled commodity, control is maintained over exporting the commodity because it is deemed a national security sensitive item. The term national security override is used to describe this circumstance.  The term has also been used in other contexts. For example, under a November 16, 1990 directive, the president instructed the interagency control groups to move as many dual use items from the U.S. State Department's International Munitions List to the Commerce Department's Commerce Control List. In some circumstances, a national security override is applied to prevent transfer of a particular item.  See International Munitions List; Commerce Control List.
<b>National Tourism Policy Act</b>	(U.S. law) Legislation passed in 1981 that created the U.S. Travel and Tourism Administration and required the establishment of the Tourism Policy Council and the Travel and Tourism Advisory Board.
<b>National Trade Data Bank (NTDB)</b>	(CD-ROM publication/Internet service) The NTDB is an electronic database available on CD-ROM. The NTDB contains international economic and export promotion information supplied by various U.S. governmental agencies. The NTDB provides world trade data from several hundred thousand documents taken from over 20 Federal sources. Topics include: export opportunities by industry, country, and product; foreign companies or importers looking for specific products; how-to market guides; and demographic, political, and socio-economic conditions in

	hundreds of countries. Source: U.S. Department of Commerce, Office of Economic Analysis; HCHB Room 4885; Washington, DC 20230 USA; Tel: [1] (202) 482-1986,.
<b>National Trade Estimates Report</b>	(U.S.) An annual report by the United States Trade Representative (USTR) that identifies significant foreign barriers to and distortions of trade. Contact: Office of the United States Trade Representative; Executive Office of the President; 600 17th Street NW; Washington, DC 20508 USA; Tel: [1] (202) 395-7360; Fax: (202) 395-4549; E-mail form at <a href="http://www.ustr.gov/about-us/contact-us/your-comment">www.ustr.gov/about-us/contact-us/your-comment</a> ; Web: <a href="http://www.ustr.gov">www.ustr.gov</a> .
<b>national treatment</b>	(trade policy) A requirement in World Trade Organization (WTO) trade policy that member nations regulate imports in the same way they regulate domestic goods. Specifically, member nations cannot impose more stringent regulations on imports as a "non-tariff barrier" in an effort to exclude such imports. National treatment affords individuals and firms of foreign countries the same competitive opportunities, including market access, as are available to domestic parties.
<b>nationalization</b>	(economics/law) The forcible acquisition, with or without compensation, of private property such as real estate, a business enterprise or an entire industry by a sovereign nation. In nationalization, social or economic equality is often stated as the motive. Nationalization is most common in socialistic and communistic countries, but also in less-developed nations where there is resentment of foreign control of major industries. Famous examples of nationalizations include: Mexico's nationalization of oil producing properties owned by U.S. firms in 1938, Great Britain's nationalization of the coal, steel and transportation industries between 1945 and 1951, Iran's nationalization of the Anglo-Iranian Oil Company in 1951, Egypt's nationalization of the Suez Canal in 1956 and Chile's nationalization of foreign-owned copper mines in 1971. See privatization.
<b>natural advantage</b>	(economics) Economic theory that states that a country has a competitive advantage in the production of certain products as a result of access to natural resources, transportation or climatic conditions.
<b>NDA</b>	See non-disclosure agreement.
<b>near-bank</b>	(banking-Canada) A financial institution, excluding standard commercial bank, such as savings bank, credit union, etc.
<b>nearshoring</b>	<p>The offshoring of a business process or manufacturing plant to a lower cost foreign location that is in close geographic proximity to the contracting company.</p> <p>Examples of nearshoring include:</p> <ul style="list-style-type: none"> <li>A German company outsourcing production or services to a company in Poland or the Czech Republic</li> <li>A U.S. company outsourcing production or services to a company in Mexico</li> <li>A Japanese company outsourcing production or services to a company in China</li> </ul> <p>Benefits of nearshoring include:</p> <ul style="list-style-type: none"> <li>Lower travel and communications costs</li> <li>Closer control over the process</li> </ul>

	<p>Lower transportation costs to a product's eventual market</p> <p>Tax and tariff advantages, especially if the nearshore country is within a trade agreement region where the eventual product will be sold. For example, a Canadian company nearshoring production to Mexico for products that will be sold in the U.S.</p>
<b>nearsourcing</b>	The contracting of a business function to an outside third-party contractor or subcontractor that is located in close domestic geographic proximity to the contracting company. See nearshoring.
<b>negligence</b>	(law) Failure to do that which an ordinary, reasonable, prudent person would do, or the doing of some act that an ordinary, prudent person would not do. Reference is made of the situation, circumstances, and awareness of the parties involved.
<b>negotiable</b>	<p>(law) Anything that can be sold or transferred to another for money or as payment of a debt. In international trade, usually refers to the transferability of a title document--such as a negotiable bill of lading.</p> <p>(investments) Refers to a security, title to which is transferable by delivery. See negotiable instrument.</p>
<b>negotiable bill of lading</b>	<p>(shipping) Bill of lading transferred by endorsement. There are three possibilities: (1) to XY &amp; Co. or their order; (2) to the order of XY &amp; Co.; and (3) to order , without the name of the party. In the latter case the bill remains to the order of the shipper until they endorse it.</p> <p>These types of bills of lading are usually endorsed on the reverse. The opposite of a negotiable bill of lading is the straight bill of lading See bill of lading; endorsement.</p>
<b>negotiable instrument</b>	<p>(law/banking/shipping) A written document (instrument) that can be transferred merely by endorsement (signing) or delivery. Checks, bills of exchange, bills of lading and warehouse receipts (if marked negotiable), and promissory notes are examples of negotiable instruments.</p> <p>(U.S.) The Uniform Negotiable Instruments Act states: "An instrument, to be negotiable, must conform to the following requirements: (1) it must be in writing and signed by the maker or drawer; (2) it must contain an unconditional promise or order to pay a certain sum in money; (3) it must be payable on demand, or at a fixed or determinable future time; (4) it must be payable to order or to bearer; and (5) where the instrument is addressed to a drawee, he must be named or otherwise indicated therein with reasonable certainty."</p>
<b>negotiable warehouse receipt</b>	(shipping) A certificate issued by an approved warehouse that guarantees the existence and the grade of a commodity held in store. See negotiable instrument.
<b>negotiating bank</b>	(banking) In a letter of credit transaction, the bank that (1) receives and examines the seller's documents for adherence to the terms and conditions of the letter of credit, (2) gives value to the seller, so long as the terms of the credit have been met, and (3) forwards them to the issuing bank (the buyer's or importer's bank). Depending upon the type of credit, the negotiating bank will either credit or pay the seller/exporter immediately under the terms of the letter of credit, or credit or pay the exporter once it has received payment from the issuing bank. See advising bank; issuing bank.
<b>negotiation</b>	<p>(banking) (a) The action by which a negotiable instrument is circulated (bought and sold) from one holder to another.</p> <p>(b) In letter of credit transactions, (1) the examination of the seller's documentation by the negotiating bank to</p>

	determine if they comply with the terms and conditions of the letter of credit and (2) the giving of value for draft(s) and/or document(s) by the bank authorized to negotiate. Mere examination of the documents without giving value does not constitute a negotiation. See letter of credit.
<b>negotiation credit</b>	(banking) A documentary letter of credit available by negotiation. See letter of credit.
<b>NES</b>	See not elsewhere specified.
<b>nested</b>	(shipping) Packed one within another.
<b>net cash</b>	Payment for goods sold usually within a short period of time with no deduction allowed from the invoice price.
<b>net export of goods and services</b>	(economics) The excess of exports of goods and services (domestic output sold abroad, and the production abroad credit to U.S.-owned resources) over imports (U.S. purchases of foreign output, domestic production credit to foreign-owned resources, and net private cash remittances to creditors abroad).
<b>net foreign investment</b>	(economics/foreign investment) The net change in a nation's foreign assets and liabilities, including the monetary gold stocks, arising out of current trade, income on foreign investment, and cash gifts and contributions. It measures the excess of: (1) exports over imports, (2) income on U.S. public and private investment abroad over payments on foreign investment in the U.S., and (3) cash gifts and contributions of the U.S. (public and private) to foreigners over cash gifts and contributions received from abroad.  Net foreign investment may also be viewed as the acquisition of foreign assets by that country's residents, less the acquisition of that country's assets by foreign residents.
<b>net income</b>	(economics) The remains from earnings after all costs, expenses and allowances for depreciation and probable loss have been deducted.
<b>net loss</b>	(economics) The excess of expenses and losses during a specified period over revenues and gains in the same time frame.
<b>net national product</b>	(economics) Gross national product minus capital consumption (depreciation). The market value of the net output of goods and services produced by the nation's economy.
<b>net price</b>	Price after all discounts, rebates, etc., have been allowed.
<b>net ton (N.T.)</b>	(measure) A unit of mass or weight measurement equal to 2,000 pounds. Also called short ton (S.T.).
<b>net tonnage</b>	(shipping) A vessel's gross tonnage minus deductions for space occupied by accommodations for crew, machinery for navigation, the engine room, and fuel. A vessel's net tonnage represents the space available for the accommodation of passengers and the stowage of cargo.
<b>net weight</b>	(general) The weight of goods without packaging.  (shipping) The weight of merchandise without the shipper container. Also the weight of the contents of a freight car.
<b>neutral air waybill</b>	(shipping) A standard air waybill without identification of issuing carrier. See air waybill; bill of lading.
<b>neutral body</b>	(shipping) A regulatory entity operating within the framework of a shipping conference, established by the member carriers to act as a self-policing force to ferret out malpractices and other tariff violations. The neutral body has authority to scrutinize all documents kept by the carriers and the carriers' personnel with right of entry to all areas of the carrier's facilities including desks, briefcases, etc. Violations found are reported to the membership with

	significant penalties being assessed. Repeated offenses are subject to escalating penalty amounts. Revenue from penalties are used to support the cost of the neutral body activity. See carrier; conference.
<b>New Blueprint for International Trade</b>	(United Kingdom) Plans by the UK government to modernize customs procedures for international trade. A key objective of the Blueprint is to improve compliance, while providing greater facilitation for those traders who abide by the rules. (The New Blueprint parallels a number of U.S. initiatives, such as Informed Compliance, C-TPAT and the AMS to improve security and streamline trade procedures.) For information go to the UK Customs (HM Revenue and Customs) at: <a href="http://www.hmrc.gov.uk">www.hmrc.gov.uk</a> .
<b>new-to-export (NTE)</b>	(U.S.) As defined by the United States Department of Commerce, a new-to-export action is one that results from documented assistance to a company that assists the client's first verifiable export sale. Either the company has not exported to any destination during the past 24 months or prior exports have resulted from unsolicited orders or were received through a U.S.-based intermediary. See United States Department of Commerce.
<b>new-to-market (NTM)</b>	(U.S.) As defined by the U.S. Department of Commerce, a reportable new-to-market export action is one that results from documented assistance to an exporter that facilitates a verifiable sale in a new foreign market. Either the company has not exported to that market during the past 24 months or previous exports to that market have resulted from unsolicited orders or were received through a U.S. based intermediary. See United States Department of Commerce.
<b>newly industrializing countries (NICs)</b>	(economics) Relatively advanced developing countries whose industrial production and exports have grown rapidly in recent years. Examples include Brazil, Hong Kong, Korea, Mexico, Singapore, and Taiwan. The term was originated by the Organization for Economic Cooperation and Development (OECD).
<b>nexus</b>	(law) A party's connection with, or presence in, a place that is sufficient enough that it would be fair to subject the party to the jurisdiction of the court or government located there.
<b>NFO</b>	Acronym for Next Flight Out.
<b>NGO</b>	Acronym for non-government organization.  a) A private sector profit or non-profit organization. (b) A private sector non-profit organization that "pursues activities to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services or undertake community development." (World Bank NGO criteria.).
<b>ngultrum</b>	The currency of Bhutan. Nu1=100 chetrums.
<b>Nigerian scam</b>	(law) See 419 scam.
<b>no show</b>	(shipping) Freight that has been booked to a ship, but has not physically arrived in time to be loaded to that ship.
<b>non-asset-based 3PL</b>	(logistics) A third-party logistics provider that does not own warehousing facilities, ships, trains, truck, aircraft, or other transportation assets.
<b>non-delivery</b>	(shipping/insurance) A cargo loss in which an entire shipping package or entire shipment is missing at destination without any evidence of the cause of its loss. Non-delivery does not include pilferage.
<b>non-disclosure agreement (NDA)</b>	(law) An agreement between two or more parties not to disclose trade secrets, trade practices, business or marketing plans or other proprietary or confidential information. A non-disclosure agreement is often signed by parties entering into a business negotiation or business relationship where such information is likely to be revealed.
<b>non-government organization</b>	See NGO.

<b>non-market economy</b>	(economics) A national economy or a country in which the government seeks to determine economic activity largely through a mechanism of central planning, as formerly in the Soviet Union, in contrast to a market economy that depends heavily upon market forces to allocate productive resources. In a "non-market" economy, production targets, prices, costs, investment allocations, raw materials, labor, international trade, and most other economic aggregates are manipulated within a national economic plan drawn up by a central planning authority, and hence the public sector makes the major decisions affecting demand and supply within the national economy.
<b>non-negotiable</b>	(law) Not transferable from one person to another. Usually refers to the transferability of a title document (e.g., non-negotiable bill of lading). Possession of a non-negotiable title document alone does not entitle the holder to receive the goods named therein (e.g., non-negotiable sea waybill, air waybill, forwarder's receipt, etc.). See negotiable; negotiable instrument.
<b>non-tariff barriers or measures</b>	<p>(economics) Any number of import quotas or other quantitative restrictions, non-automatic import licensing, customs surcharges or other fees and charges, customs procedures, export subsidies, unreasonable standards or standards-setting procedures, government procurement restrictions, inadequate intellectual property protection and investment restrictions which deny or make market access excessively difficult for goods or services of foreign origin.</p> <p>(GATT) Participants in the Tokyo Round of the General Agreement on Tariffs and Trade attempted to address these barriers through the negotiations of a number of GATT codes, open for signature to all GATT members. Seven codes were negotiated during the Tokyo Round, covering customs valuations, import licensing, subsidies and countervailing duties, antidumping duties, standards, government procurement and trade in civil aircraft. Although the Tokyo Round codes had alleviated some of the problems caused by non-tariff measures, overall use of NTMs has increased since conclusion of the Tokyo Round. See import restrictions; non-tariff barriers; Tokyo Round; General Agreement on Tariffs and Trade, World Trade Organization.</p>
<b>non-vessel operating common carrier (NVOCC)</b>	<p>(shipping) A carrier issuing bills of lading for carriage of goods on vessels which it neither operates nor owns. NVOCCs purchase large blocks of space at discounted rates from shipping lines and resell them in smaller blocks to other shippers at a profit. NVOCCs often consolidate and transport shipments under a single bill of lading.</p> <p>(U.S.) A "carrier" defined by maritime law offering an international cargo transport service through the use of underlying carriers and under their own rate structure in accordance with tariffs filed with the Federal Maritime Commission in Washington, DC. The rates filed are required only to port-to-port portion. Specific authority for the NVOCC is given in the code of Federal Regulations, Title 46, Chapter IV, Federal Maritime Commission Sub-Part B, entitled "Regulations Affecting Maritime Carriers and Related Activities." General Order 4, Amendment i, Section 510.2 (d) states:</p> <p>"The term 'non-vessel operating common carrier by water' means a person who holds himself out by the establishment and maintenance of tariffs, by advertisement, solicitation, or otherwise, to provide transportation for hire by water in interstate commerce as defined in the Act, and in commerce from the United States as defined in paragraph (b) of the section; assumes responsibility or has liability imposed by law for safe transportation of shipments; and arranges in his own name with underlying water carriers for the performance of such transportation whether or not owning or controlling the means by which such transportation is affected."</p>
<b>nonperforming assets</b>	(banking) Assets which have no financial return.

<b>nonperforming debt</b>	(banking) A debt which has no financial return (i.e. no interest is paid on it).
<b>nonperforming loan; nonaccruing loan</b>	(banking) Loan where payment of interest has been delayed for more than 90 days.
<b>nonstructural container</b>	(shipping) A unit load device composed of a bottomless rigid shell used in combination with a pallet and net assembly. Note: The expression "nonstructural container" is also used to refer to the shell part of a device.
<b>Nordic Council</b>	(regional alliance) The Nordic Council, established in 1952, supports cooperation among Nordic countries in communications, cultural, economic, environmental, fiscal, legal and social areas. Members include: Denmark, Finland, Iceland, Norway and Sweden. Contact: Nordic Council; Ved Stranden 18, 1061 Copenhagen K, Denmark; Tel: [45] (33) 96-02-00; Web: www.norden.org.
<b>normal trade relations (NTR)</b>	(trade policy) The new designation for Most Favored Nation (MFN) trading status. Although the name has changed, the privileges remain the same. (U.S. trade policy) With controversy surrounding giving Most Favored Nation status to China, it was decided that for political reasons the designation would change to Normal Trade Relations. Countries with MFN/NTR status enjoy preferred import tariff rates on goods exported to the U.S.
<b>North American Free Trade Agreement (NAFTA)</b>	<p>A free trade agreement that comprises Canada, the U.S. and Mexico. The objectives of the Agreement are to eliminate barriers to trade, promote conditions of fair competition, increase investment opportunities, provide protection for intellectual property rights and establish procedures for the resolution of disputes.</p> <p>NAFTA eliminates all tariffs on goods originating in Canada, Mexico and the United States over a transition period. Rules of origin are necessary to define which goods are eligible for preferential tariff treatment.</p> <p>NAFTA contains special provisions for market access, customs administration, automotive goods, textiles and apparel, energy and petrochemicals, agriculture, sanitary and phytosanitary measures, technical standards, emergency action, antidumping and countervailing duty matters, government procurement, trade in services, land transportation, telecommunications, investment, financial services, intellectual property, temporary entry for business persons, dispute settlement, administration of law and the environment.</p> <p>NAFTA will produce a market exceeding 360 million consumers and a combined output of more than \$6 trillion--20 percent larger than the European Community. The agreement took effect January 1, 1994.</p> <p>The Commerce Department's Office of NAFTA &amp; Inter-American affairs has its Web site at Web: <a href="http://www.mac.doc.gov/nafta/">www.mac.doc.gov/nafta/</a>. This site contains the full text of the treaty, as well as resources, news items, items from the Federal Register, ways to contact this office for assistance, and links to other NAFTA-related sites on the Web. The entire text of NAFTA is also available from the U.S. Government Printing Office, Mail Stop: IDCC, 732 N. Capitol Street, NW, Washington, DC 20401; Tel: [1] (866) 512-1800, [1] (202) 512-1800; Fax: [1] (202) 512-2104; Web: <a href="http://www.gpoaccess.gov/">www.gpoaccess.gov/</a>; or on the National Trade Data Bank on CD-ROM; Tel: [1] (202) 482-1986.</p>
<b>North-South trade</b>	(economics) Trade between developed countries (North) and developing countries (South). See developed countries; developing countries.
<b>nostro account</b>	(banking) "Our" account. An account maintained by a bank with a bank in a foreign country. Nostro accounts are kept in foreign currencies of the country which the monies are held, with the equivalent dollar value listed in another column for accounting purposes.

<b>not elsewhere specified (N.E.S.)</b>	(shipping) The abbreviation N.E.S. often appears in air freight tariffs. For example: "advertising matter, N.E.S.," "printed matter, N.E.S.," indicating that the rate stated in the tariff applies to all commodities within the commodity group except those appearing under their own rate. The abbreviation N.E.S., as used in air freight tariffs, is comparable to the abbreviation N.O.I.B.N. (not otherwise indexed by number) and N.O.S. (not otherwise specified) which appear in tariffs published by the surface modes.
<b>notary public</b>	(law-U.S.) A person commissioned by a state for a stipulated period (with the privilege of renewal) to administer certain oaths and to attest and certify documents, thus authorizing him or her to take affidavits and depositions. A notary is also authorized to "protect" negotiable instruments for nonpayment or nonacceptance.  The role of a notary public varies from country to country. In some countries they take on many of the responsibilities which in the U.S. an attorney would assume, while in other countries they do not exist at all.
<b>notify address</b>	(shipping) Address mentioned in the transport document (bill of lading or an air waybill), to which the carrier is to give notice when goods are due to arrive.
<b>notify party</b>	(shipping) Name and address of a party in the transport document (bill of lading or air waybill), usually the buyer or his agent, to be notified by the shipping company of the arrival of a shipment.
<b>NTR</b>	See normal trade relations.
<b>Nuclear Energy Agency (NEA)</b>	Promotes the safe and effective use of nuclear energy through the exchange of information among technical experts, the sharing of analytical studies, and undertaking joint research and development projects by member countries. Headquarters are in Paris, France. Contact: OECD Nuclear Energy Agency; Le Seine-Saint Germain; 12 blvd. des Iles, 92130 Issy-les-Moulineaux, France; Tel: [33] (1) 45-24-10-10; Web: www.nea.fr.
<b>Nuclear Non-Proliferation Act</b>	(U.S. law) Among other actions, this Act made the U.S. Energy Department responsible for approving arrangements for nuclear exports and transfers. Each arrangement requires U.S. State Department concurrence, as well as consultations with the Arms Control and Disarmament Agency, the Nuclear Regulatory Commission, and the Departments of Defense and Commerce.
<b>Nuclear Non-Proliferation Treaty</b>	The NPT became effective in 1970 and was intended to limit the number of states with nuclear weapons to five: the U.S., the Soviet Union, Britain, France, and China. In doing so, the NPT attempts to: (1) prevent nuclear weapons sales by not assisting other nations with nuclear weapons development; (2) halt the nuclear weapons development programs of non-nuclear weapons states; and (3) promote nuclear disarmament and the peaceful use of nuclear technologies and materials. Over 140 states have pledged not to acquire nuclear weapons and to accept the safeguards of the International Atomic Energy Agency over all their nuclear materials. The treaty, however, is not of indefinite duration. One of the provisions of the treaty was to convene a conference 25 years after entry to decide whether the treaty would continue indefinitely or be extended for a specified time.
<b>Nuclear Referral List</b>	See Nuclear Regulatory Commission.
<b>Nuclear Regulatory Commission (NRC)</b>	(U.S.) The NRC regulates the transfer of nuclear facilities, materials and parts with uniquely nuclear applications (such as items associated with nuclear reactors). The U.S. Department of Energy regulates the transfer of information relating to nuclear technology. The U.S. State Department controls defense articles and services, such as nuclear weapons design and test equipment. The U.S. Department of Commerce controls a range of dual-use items with potential nuclear application. Validated licensing controls are in effect for commodities and technical data identified to be useful in the design, development, production or use of nuclear weapons or nuclear explosive

	<p>purposes. These commodities compose the "Nuclear Referral List" (NRL). Any item under national security-based licensing requirements and intended for a nuclear-related end-use/end-user is also subject to review. In addition, any commodity that will be used in a sensitive nuclear activity is also subject to validated licensing controls. License applications for U.S. export of NRL items as well as applications that may involve possible nuclear uses are reviewed by the U.S. Department of Commerce in consultation with the Department of Energy. When either Department believes that the application requires further review, the application is referred to the Subgroup on Nuclear Export Coordination (SNEC). The SNEC is comprised of representatives from State, Defense, ACDA, and the NRC. Contact: U.S. Nuclear Regulatory Commission; Office of Public Affairs (OPA); Washington, D.C. 20555-0001 USA; Tel: [1] (800) 368-5642, or [1] (301) 415-5575; Web: www.nrc.gov. See Nuclear Suppliers Group; Zangger Committee.</p>
<p><b>Nuclear Suppliers Group</b></p>	<p>An organization of nuclear supplier nations which coordinates exports of nuclear materials and equipment with the International Atomic Energy Agency (IAEA) inspectorate regime. The reason for creating the NSG was to allow member states some flexibility (which they do not enjoy in the Zangger Committee) in controlling items to non-nuclear weapons states.</p> <p>The NSG's independence from the Nuclear Non-Proliferation Treaty (NPT) enables NSG to enlist the cooperation of supplier states that are not signatories to the NPT and thus not involved in the nuclear export control activities of the Zangger Committee. The NSG's control list is more comprehensive than the Zangger Committee's "trigger list"; it requires the imposition of safeguards on exports of nuclear technology in addition to nuclear materials and equipment.</p> <p>See Nuclear Non-Proliferation Treaty; Zangger Committee; Nuclear Regulatory Commission.</p>
<p><b>ocean bill of lading (B/L)</b></p>	<p>(shipping) A receipt for the cargo and a contract for transportation between a shipper and the ocean carrier. It may also be used as an instrument of ownership (negotiable bill of lading) which can be bought, sold, or traded while the goods are in transit. To be used in this manner, it must be a negotiable "Order" Bill-of-Lading.</p> <p>(a) A clean bill of lading is issued when the shipment is received in good order. If damaged or a shortage is noted, a clean bill of lading will not be issued.</p> <p>(b) An on board bill of lading certifies that the cargo has been placed aboard the named vessel and is signed by the master of the vessel or his representative. In letter of credit transactions, an on board bill of lading is usually necessary for the shipper to obtain payment from the bank. When all bills of lading are processed, a ship's manifest is prepared by the steamship line. This summarizes all cargo aboard the vessel by port of loading and discharge.</p> <p>(c) An inland bill of lading (a waybill on rail or the "pro forma" bill of lading in trucking) is used to document the transportation of the goods between the port and the point of origin or destination. It should contain information such as marks, numbers, steamship line, and similar information to match with a dock receipt.</p> <p>See bill of lading.</p>

<b>ocean transport intermediary (OTI)</b>	(shipping) An ocean freight forwarder and NVOCC (Non Vessel Operating Common Carrier) that acts as an intermediary between shippers and shipping lines. In the U.S. OTI's are licensed according to provisions in the Ocean Shipping Reform Act of 1998 which include the responsibility to publish tariffs (charges) in an electronically accessible automated tariff system.
<b>OEM</b>	Acronym for original equipment manufacturer. (a) A manufacturer who sells equipment to a reseller for the purpose of repackaging, bundling, rebranding or co-branding. (b) (popular) The reseller of repackaged, bundled, rebranded or co-branded equipment.  In both cases, the reseller can simply repackage and resell the equipment, add value to the equipment or bundle the equipment with other products for resale. See VAR (value-added reseller).
<b>Offene Handelsgesellschaft (OHG)</b>	(Austria) Designation for a general partnership, in which all partners have joint and several liability.
<b>offer</b>	(law) A proposal that is made to a certain individual or legal entity to enter into a contract, that is definite in its terms, and that indicates the offeror's intent to be bound by an acceptance. For example, an order delivered to a seller to buy a product on certain terms is an offer, but an advertisement sent to many potential buyers is not. See acceptance; counteroffer.
<b>Office of Exporter Services (OEXS)</b>	(U.S.) Under the U.S. Commerce Department's Bureau of Industry and Security, the OEXS administers export licenses. The Bureau of Industry and Security (formerly the Bureau of Export Administration) provides an Internet-based export license application program free of charge called the Simplified Network Application Process (SNAP) at <a href="http://www.bis.doc.gov/snap/index.htm">www.bis.doc.gov/snap/index.htm</a> . Telephone support for SNAP is also available at [1] (202) 482-4811. Contact: Office of Exporter Services; U.S. Department of Commerce, 14th and Pennsylvania NW; Washington, DC 20230 USA; Web: <a href="http://www.bis.doc.gov">www.bis.doc.gov</a> . See Bureau of Industry and Security.
<b>Office of Management and Budget (OMB)</b>	(U.S.) An executive office of the president which evaluates, formulates and coordinates management procedures and program objectives within and among federal departments and agencies. It also controls the administration of the federal budget. Contact: Office of Management and Budget; New Executive Office Building; 725 17th Street NW; Washington, DC 20503 USA; Tel: [1] (202) 395-3080; Web: <a href="http://www.whitehouse.gov/omb">www.whitehouse.gov/omb</a> .
<b>Office of Munitions Control</b>	See Defense Trade Controls.
<b>official development assistance</b>	(U.S.) Financial flows to developing countries and multilateral institutions provided by official agencies of national, state, or local governments. Each transaction must be:  (1) administered with the promotion of the economic development and welfare of developing countries as its main objective; and  (2) concessional in character and contain a grant element of at least 25 percent.
<b>offset(s)</b>	(general) In non-defense trade, governments sometimes impose offset requirements on foreign exporters, as a condition for approval of major sales agreements in an effort to either reduce the adverse trade impact of a major sale or to gain specified industrial benefits for the importing country. In these circumstances, offset requirements generally take one of two forms. In one formulation, an exporter may be required to purchase a specified amount of locally-produced goods or services from the importing country. For example, a commercial aircraft manufacturer seeking sales to an airline in another country might be required to purchase products as different from airplanes as

	<p>canned hams. In other instances, an exporter might be required to establish manufacturing facilities in the importing country or to secure a specified percentage of the components used in manufacturing his product from established local manufacturers. See countertrade.</p> <p>(defense related-U.S.) In trade of defense items, "offsets" are industrial compensation practices mandated by many foreign governments when purchasing U.S. defense systems. Types of offsets include mandatory coproduction, subcontractor production, technology transfer, countertrade, and foreign investment. Countries require offsets for a variety of reasons: to ease (or "offset") the burden of large defense purchases on their economies, to increase domestic employment, to obtain desired technology, or to promote targeted industrial sectors. See countertrade.</p>
<b>offshore</b>	(economics/law) (a) Outside the legal or taxing jurisdiction of a country. (b) An investment, security, bank account or property located outside an individual's country of domicile. (c) A geographic region located "off the shore", but within waters under a country's control (e.g., offshore fisheries). (d) Manufacturing, production or technical support facilities located in a foreign country. (e) Contracting work carried out at sea (e.g., oil exploration and production at sea). (f) Conditions when the wind is blowing off the land. (g) Utilizing an outsourcing service provider (such as a call center) located in a foreign country. (h) Away from shore; away from land; "cruising five miles offshore," "offshore oil reserves," "an offshore island."
<b>offshore bank</b>	(banking) Bank located outside the country in question.
<b>offshore banking center</b>	(banking) Financial center where many of the financial institutions have little connection with that country's financial system. Usually established for purposes of tax avoidance. Examples are the Cayman Islands, where many of the corporations are engaged in business in the U.S. and Europe, and London, where many of the financial institutions are engaged in Eurodollar trading.
<b>offshore banking unit (OBU)</b>	(banking) Department within a bank that, in certain countries (e.g., Bahrain), is permitted to engage in specific transactions (usually Euromarket business) that ordinary domestic banks are not allowed to do.
<b>offshore outsourcing</b>	The outsourcing of a business function to a third-party vendor located in a foreign country.
<b>offshoring</b>	The relocation of an entire business process to a foreign country. The business process or function can be performed by the parent company or by a local third-party contractor. Offshoring is similar to outsourcing, but can be performed by a division or subsidiary of the offshoring company, as well as by a third-party entity. Note that offshoring can refer to either a manufacturing (production) process or a service process.
<b>old-to-market (OTM)</b>	(U.S.) A committed to export, experienced, larger-scale firm. A significant portion of manufacturing capability may be foreign sourced. Export sales volume is often in excess of 15 percent of total sales.
<b>on board</b>	(shipping) Notation on a bill of lading indicating that the goods have been loaded on board or shipped on a named ship. In the case of received for shipment bills of lading, the following four parties are authorized to add this "on board" notation: (1) the carrier, (2) the carrier's agent, (3) the master of the ship, and (4) the master's agent. See ocean bill of lading; bill of lading; negotiable bill of lading.
<b>on deck</b>	(shipping) Notation on a bill of lading which indicates that the goods have been loaded on the deck of the ship. In letter of credit transactions documents with an "on deck" notation will only be accepted if expressly authorized in the credit. See ocean bill of lading.

<b>on deck bill of lading</b>	(shipping) Bill of lading containing the notation that goods have been placed on deck.  See ocean bill of lading; bill of lading.
<b>on their face</b>	(banking) In letter of credit and other documentary operations banks must examine documents with reasonable care to ascertain whether or not they appear, on their face, to be in compliance with the terms or conditions of the documentary letter of credit. See letter of credit; documentary collection.
<b>online receiving</b>	(logistics) A freight management system where operators enter goods received information directly into computer terminals as shipments occur.
<b>onward carriage</b>	(shipping) Transport from the port, terminal, or place of arrival in the country of destination to the buyer's premises. Usually by truck, rail, or inland waterway. See pre carriage, main carriage.
<b>open account</b>	Credit extended that is not supported by a note, mortgage, or other formal written evidence of indebtedness (e.g., merchandise for which a buyer is billed later). Because this method poses an obvious risk to the supplier, it is essential that the buyer's integrity be unquestionable.
<b>open bill of lading</b>	A legally or commercially incomplete bill of lading that requires some action to be taken for disposition according to law or practice.
<b>open conference</b>	(shipping) A shipping conference in which there are no restrictions upon membership other than ability and willingness to serve the trade. U.S. law requires all conferences serving the U.S. to be open. See conference; closed conference.
<b>open cover policy</b>	(marine cargo insurance) An insurance policy that covers multiple shipments over a period of time. Open cover policies are by far the most commonly used policies in international trade. The policy can be set at a specific value that will require renewal once the insured amount reaches its limit. Or it can be positioned as a permanently "open" policy that will serve for an agreed-upon time (e.g., one year), but allowing for any number of shipping consignments during the period. Open cover policies have significant advantages over other policy types, especially for the active trader. Some open cover policies have been in effect for more than 100 years. See also voyage or specific policy, contingency policy.
<b>open economy</b>	(economics) An economy free of trade restrictions.
<b>open manifest</b>	A manifest in which one or more bills of lading require some action that some action be taken for disposition according to law or practice.
<b>open policy</b>	(insurance) An insurance contract (policy) which remains in force until cancelled and under which individual successive shipments are reported or declared and automatically covered on or after the inception date. The open policy saves time and expense for all concerned, whether underwriter, agent or assured.  The shipper gains many advantages from the use of an open policy.  (1) He or she has automatic protection (up to the maximum limits stated in the policy) from the time shipments leave the warehouse at the place named in the policy for the commencement of transit. The policyholder warrants that shipments will be declared as soon as practicable, but unintentional failure to report will not void the insurance, since the goods are "held covered," subject to policy conditions. In effect, this is errors and omissions coverage, and it forestalls the possibility that, because of the press of business, goods may commence transit without being insured.

	<p>(2) The open policy provides a convenient way to report shipments. It also relieves the shipper from the necessity of arranging individual placings of insurance for each shipment.</p> <p>(3) Under an open policy the shipper has prior knowledge of the rate of premium that will be charged and thus can be certain of the cost. This in turn facilitates his quoting a landed sales price.</p> <p>(4) The use of the open policy creates a business relationship that may exist over a long period of time. This permits the insurer to learn the special requirements of its assureds and so to provide them with individualized protection, tailor-made to fit the specific situation. This may be an important factor in the case of loss adjustments at out-of-the-way ports around the world, or in overcoming problems peculiar to a given commodity.</p> <p>Some letter of credit transactions require evidence of an individual "policy" covering the specified shipment. In such cases it has become the practice to use a special marine policy. See bordereau; declaration; special marine policy.</p>
<b>open top container</b>	(logistics/shipping) An ocean shipping container with an open or removable roof or top, making it possible to load large, bulky or awkward cargo from the top. After cargo has been loaded, cross braces can be attached at the roof line to stabilize the container walls and rigid panels or a tarpaulin spread to offer some protection against the elements. Open top containers are used especially for overheight cargo such as machinery.
<b>open-end contract</b>	(law) An agreement by which the buyer may purchase goods from a seller for a certain time without changes in the price or the contract terms.
<b>operating committees</b>	(U.S.) There are four operating committees (OCs), which are the first step in resolving interagency disputes over the disposition of export license applications. The operating committees are: (1) the State Department's Subgroup on Nuclear Export Coordination (SNEC), (2) the State Department's working group on Missile Technology, (3) the State Department's working group on Chemical and Biological Warfare, and (4) the Department of Commerce's operating committee on all other dual-use items. Operating committees must make recommendations within 90 days of the date of the filing of an export license application. Operating committees generally meet a couple of times per month. See United States Department of Commerce; United States Department of State.
<b>Operating Differential Subsidy (ODS)</b>	(U.S. shipping) A subsidy paid to an American flag carrier by the U.S. government to offset the higher costs of operating a U.S. flag vessel than a foreign flag vessel.
<b>operator</b>	(U.S. foreign trade zones) A corporation, partnership or person that operates a foreign trade zone under the terms of an agreement with a foreign trade zone grantee. If there is no operator agreement and the grantee operates his own zone, the grantee is considered the operator for Customs Regulations purposes. See foreign trade zone; Foreign Trade Zone Board; Foreign Trade Zone Act; grantee; zone user; subzones.
<b>option</b>	<p>(general) (a) A right to take up an offer. (b) The right to choose from several different possibilities. (c) A privilege to buy or sell, receive, or deliver property, given in accordance with the terms stated, with a consideration for price. This privilege may or may not be exercised at the option holder's discretion. Failure to exercise the option leads to forfeiture of the option.</p> <p>(securities) A contract giving the holder the right to buy or sell a stated number of shares of a particular security at a fixed price within a predetermined period.</p>

	<p>(foreign exchange) The contractually agreed upon right to buy (call option) or sell (put option) a specific amount of an underlying instrument at a predetermined price on a specific date (European option) or up to a future date (American option).</p> <p>See call option; put option; American option; European option.</p>
<b>order</b>	(law/banking/shipping) A request to deliver, sell, receive, or purchase goods or services.
<b>order bill</b>	(law) A bill of lading that states that goods are consigned to the order of the person named in the bill. See bill of lading; ocean bill of lading.
<b>order cycle</b>	(logistics) The total time and process required for the placement of an order and its final receipt by a customer. This includes order placement, order processing, production and transportation to the final destination.
<b>order notify</b>	(shipping) A bill of lading term to provide for surrender of the original bill of lading before freight is surrendered; usually handled through a bank. See letter of credit; bill of lading; ocean bill of lading; documentary collection.
<b>order picking</b>	(logistics) The process of retrieving goods from storage to fill shop or customer orders.
<b>order processing</b>	(logistics) The process of fulfillment of a customer order. This includes the entire process from order receiving, invoicing and other documentation, picking, packing and shipping.
<b>orderly marketing agreements</b>	International agreements negotiated between two or more governments, in which the trading partners agree to restrain the growth of trade (limit exports) in specified "sensitive" products, usually through the imposition of import quotas. Orderly Marketing Agreements are intended to ensure that future trade increases will not disrupt, threaten or impair competitive industries or their workers in importing countries.
<b>Ordinary Seaman</b>	(shipping) A deck crew member in the merchant marine who is subordinate to and assists able bodied seamen and officers and keeps facilities clean. An apprentice able bodied seaman. Ordinary seaman is the first level job of six towards becoming a captain (ordinary seaman, able-bodied seaman, third mate, second mate, chief mate, captain).
<b>Organization for Economic Cooperation and Development (OECD)</b>	The OECD is the primary forum for the discussion of common economic and social issues confronting the U.S., Canada, Western Europe, Japan, Australia, and New Zealand. It was founded in 1960 as the successor to the Organization for European Economic Cooperation which oversaw European participation in the Marshall Plan. The OECD's fundamental objective is "to achieve the highest sustainable economic growth and employment and a rising standard of living in member countries while maintaining financial stability and thus contribute to the world economy." Members currently include: Australia, Austria, Belgium-Luxembourg, Canada, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, the United Kingdom, and the United States. Contact: Organization for Economic Cooperation and Development; 2 rue Andre Pascal; F-75775 Paris Cedex 16, France; Tel: [33] (1) 45-24-82-00; Web: www.oecd.org.
<b>Organization of African Unity (OAU)</b>	See African Union.
<b>Organization of American States (OAS)</b>	The OAS is a regional organization established in April 1948 which promotes Latin American economic and social development. Members include the United States, Mexico, and most Central American, South American, and Caribbean nations. Members include: Antigua and Barbuda, Argentina, the Bahamas, Barbados, Belize, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Cuba (participation suspended), Dominica, Dominican Republic,

	Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, St. Christopher-Nevis, St. Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago, the United States, Uruguay, and Venezuela. Contact: Organization of American States; 17th Street and Constitution Avenue NW; Washington, DC 20006; Tel: [1] (202) 458-3000; Web: <a href="http://www.oas.org">www.oas.org</a> .
<b>Organization of Arab Petroleum Exporting Countries (OAPEC)</b>	OAPEC was established in 1968 to safeguard the interests of its members and to provide a forum for cooperation in the petroleum industry. Approximately 25% of the annual world petroleum production is from the member states of OAPEC. OAPEC members include: Algeria, Bahrain, Egypt, Iraq, Kuwait, Libya, Qatar, Saudi Arabia, Syria, and the United Arab Emirates. Contact: Organization of Arab Petroleum Exporting Countries; P.O. Box 20501; SAFAT 13066 Kuwait; Tel: [96] (5) 495-9000; Web: <a href="http://www.oapecorg.org">www.oapecorg.org</a> .
<b>Organization of Petroleum Exporting Countries (OPEC)</b>	An association of the world's oil-producing countries, formed in 1960. The chief purpose of OPEC is to coordinate oil production and pricing policies of its members: Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela. Contact: Organization of Petroleum Exporting Countries; Helferstorferstrasse 17, A-1010, Vienna, Austria; E-mail form at <a href="http://www.opec.org/opec_web/en/contact/356.htm">www.opec.org/opec_web/en/contact/356.htm</a> ; Web: <a href="http://www.opec.org">www.opec.org</a> .
<b>Organization of the Islamic Conference (OIC)</b>	The OIC, established in May 1971, promotes cooperation in cultural, economic, scientific and social areas among Islamic nations. Headquarters are located in Jeddah, Saudi Arabia. Members include: Afghanistan, Algeria, Bahrain, Bangladesh, Benin, Brunei, Burkina Faso, Cameroon, Chad, Comoros, Cyprus, Djibouti, Egypt, Gabon, the Gambia, Guinea, Guinea-Bissau, Indonesia, Iran, Iraq, Jordan, Kuwait, Lebanon, Libya, Malaysia, Maldives, Mali, Mauritania, Morocco, Niger, Nigeria, Oman, Pakistan, Qatar, Saudi Arabia, Senegal, Sierra Leone, Somalia, Sudan, Syria, Tunisia, Turkey, Uganda, the United Arab Emirates, and Yemen. Contact: Organization of The Islamic Conference; PO Box: 178; Jeddah-21411; Kingdom of Saudi Arabia; Tel: [966] (2) 65 15 222; Web: <a href="http://www.oic-oci.org">www.oic-oci.org</a> .
<b>original documents</b>	(banking/letters of credit) Unless otherwise stated in the letter of credit, the requirement for an original document may also be satisfied by the presentation of documents produced or appearing to have been produced:  (1) reprographically,  (2) by automated or computerized systems, or  (3) as carbon copies,  and marked as "originals" and where necessary appearing to be signed. See letter of credit.
<b>original equipment manufacturer (OEM)</b>	See OEM.
<b>ORM (other regulated material)</b>	See hazardous materials; restricted articles; ORM; ORM-A, B, C, D, E.
<b>ORM-A</b>	(shipping) Material with an anesthetic, irritating, noxious, toxic or other properties that can cause discomfort to persons in the event of leakage. Examples are trichloroethylene, 1,1,1-trichloroethane, dry ice, chloroform, carbon tetrachloride.
<b>ORM-B</b>	(shipping) Material specifically named or capable of causing significant corrosion damage from leakage. Examples are lead chloride, quicklime, metallic mercury, barium oxide.

<b>ORM-C</b>	(shipping) Material specifically named and with characteristics which make it unsuitable for shipment unless properly packaged. Examples are bleaching powder, lithium batteries (for disposal), magnetized materials, sawdust, asbestos.
<b>ORM-D</b>	(shipping) Material such as consumer commodities which present a limited hazard due to form, quantity and packaging. They must be materials for which exceptions are provided. Examples are chemical consumer commodities (e.g., hair spray and shaving lotion) and small arm ammunition (reclassified because of packaging).
<b>ORM-E</b>	(shipping) Material that is not included in any other hazard class, but is regulated as ORM. Examples are hazardous waste and hazardous substances.
<b>other regulated materials</b>	See ORM.
<b>ouguiya</b>	The currency of Mauritania. UM1=5 khoums.
<b>out-of-the-money</b>	(foreign exchange) An option is out-of-the-money in the following cases:  (1) Call option: market price less than the strike price.  (2) Put option: market price greater than the strike price.  For European options, replace the market price by the forward price of the underlying instrument on the expiry date of the option. See call option; put option; option; in-the-money.
<b>outbound consolidation</b>	See consolidation.
<b>outbound logistics</b>	(logistics) The entire process of planning and controlling the flow of products from the end of a production line to the end user. This includes both transportation and intermediate storage. See logistics.
<b>output contract</b>	(law) An agreement by which one party agrees to sell his or her entire production to the other, who agrees to purchase it.
<b>outright</b>	(foreign exchange) A forward purchase or sale of foreign exchange which is not offset by a corresponding spot transaction, i.e. which has not been contracted through swaps. See foreign exchange.
<b>outsource (outsourcing)</b>	(economics) (a) The sourcing of raw materials, component parts or finished goods from outside a business organization. The opposite of insourcing. (b) The contracting of services (such as call center services, software development or maintenance services) to an outside company. (c) The contracting of services (such as call center services) to an outside company located in a foreign country.
<b>outward swap</b>	(foreign exchange) Spot purchase of foreign exchange and forward resale of the same currency against domestic currency. See foreign exchange.
<b>over the counter (OTC)</b>	(finance) Securities trading which takes place outside the normal exchanges. In contrast to normal exchanges, it is not tied to a central set-up in any one place but is conducted mainly by telephone and telex between traders, brokers and customers.
<b>over the counter small package service</b>	See small package service.
<b>overland common point (OCP)</b>	(shipping) A special rate concession made by shipping lines, rail carriers, and truckers serving the U.S. West Coast for export and import traffic intended to benefit midwest shippers and importers by equalizing rates to and from other coastal areas, and offering these Midwest companies a comparable alternative. The steamship companies lower

	their rates and their inland carriers pick up the terminal charges, which consist of handling charges, wharfage charges, and carloading or unloading charges. OCP rates apply to cargo shipped from or consigned to the states of North Dakota, South Dakota, Nebraska, Colorado, New Mexico and all states east thereof. OCP rates in Canada apply to the provinces of Manitoba, Ontario and Quebec.
<b>overnight</b>	(foreign exchange) Swap from settlement date until the following business day, i.e., one day or three days over the weekend. See foreign exchange.
<b>overs, short, and damaged (OSD)</b>	(logistics) A report that details discrepancies between a bill of lading and a shipment at hand. Extra goods are "overs," missing goods are "short," and damaged goods are listed as "damaged."
<b>Overseas Private Investment Corporation (OPIC)</b>	(U.S.) A self-sustaining U.S. agency, whose purpose is to promote economic growth in developing countries by encouraging U.S. private investment in those nations. The Corporation assists American investors in three principal ways: (1) financing investment projects through direct loans and/or guaranties; (2) insuring investment projects against a broad range of political risks; and (3) providing a variety of investor services including investor counseling, country and regional information kits, computer-assisted project and investor matching, and investment missions. OPIC does not support projects that will result in the loss of domestic jobs or have a negative impact on the host country's environment or worker's rights. Contact: Overseas Private Investment Corporation; 1100 New York Ave. NW; Washington, DC 20527 USA; Tel: [1] (202) 336-8400; Web: www.opic.gov.
<b>oxidizing material</b>	(shipping) These items are chemically reactive and will provide both heat and oxygen to support a fire. (UN CLASS 5.) Examples are calcium permanganate, calcium hypochlorite, barium perchlorate, hydrogen peroxide and ammonium nitrate. Hazards/precautions are: may ignite combustibles (wood, paper, etc.); reaction with fuels may be violent; fires may produce poisonous fumes; vapors and dusts may be irritating; contact may burn skin and eyes; and peroxides may explode from heat or contamination.
<b>P&amp;I Club</b>	(insurance) Acronym for Protection and Indemnity. A mutual insurance association of shipowners and charterers operating on a non-profit basis and designed to pool resources to meet losses suffered by individual members. Each member pays a "mutual premium" based on the tonnage of the vessels they have entered into the club to cover claims, reinsurance, and administrative expenses for a one-year period. If that year's claims are higher than expected, members pay an "additional call." If claims are less than expected, members may receive a return payment. P&I clubs were first formed in England in the mid-1800s as a response to the near monopoly of two hull insurance companies and Lloyd's of London, who were forcing high premiums on ship owners.
<b>pa'anga</b>	The currency of Tonga. PT or T\$1=100 seniti.
<b>Pacific Rim</b>	Refers to countries and economies bordering the Pacific ocean. Pacific Rim is an informal, flexible term which generally has been regarded as a reference to East Asia, Canada, and the United States. At a minimum, the Pacific Rim includes Canada, Japan, the People's Republic of China, Taiwan, and the United States. It may also include Australia, Brunei, Cambodia, Hong Kong/Macau, Indonesia, Laos, North Korea, South Korea, Malaysia, New Zealand, the Pacific Islands, the Philippines, Russia (or the Commonwealth of Independent States), Singapore, Thailand, and Vietnam. As an evolutionary term, usage sometimes includes Mexico, the countries of Central America, and the Pacific coast countries of South America.
<b>packing credit</b>	(banking) A monetary advance granted by a bank in connection with shipments of storable goods guaranteed by the assignment of the payment expected later on under a documentary letter of credit.

<b>packing list</b>	(shipping) A document prepared by a shipper listing the kinds and quantities of merchandise in a particular shipment. A copy of the packing list is often attached to the shipment itself (to the exterior of a package or crate) and another copy sent directly to the consignee to assist in checking the contents of the shipment when received. Also called a bill of parcels.
<b>pallet</b>	(shipping) A shallow portable platform with or without sides used to store, handle or move materials and goods in factories, warehouses, trucks, containers or vessels. Pallets are usually constructed of wood and are designed so that the prongs of a fork-lift truck or pallet jack can lift the pallet and its load. Pallets, however, can also be made from plastic, steel, aluminum, or fiberboard.. See skid, forklift truck, pallet box, pallet jack.  (air freight) A platform with a flat metal framed undersurface on which goods are assembled and secured by nets and straps. See aircraft pallet.  Palletization results in more efficient use of space and better cargo handling, particularly when used as part of mechanized loading systems. See pallet loader.
<b>pallet box</b>	(shipping) A box or crate attached to a shipping pallet used to store, handle or move materials and goods in factories, warehouses, trucks, containers or vessels. Pallet boxes are typically constructed of wood, but can be made of any material that has the necessary load bearing strength. The pallet box combines the advantages of a box (holding materials or goods), with that of a pallet (ease of transport by fork-lift truck or pallet jack). See skid, forklift truck.
<b>pallet jack</b>	(shipping) A materials handling device consisting of two pallet "forks" on small wheels used to lift and move palletized goods in production facilities, warehouses, and freight terminals. Manual units require the operator to use a handle-operated pump to lift pallets, while motorized units use electric motors to lift and move the pallet, guided by an operator who walks behind or beside the unit.
<b>pallet loader</b>	(air freight) A device employing one or more vertical lift platforms for the mechanical loading or unloading of palletized freight at planeside.
<b>pallet transporter</b>	(shipping) A vehicle for the movement of loaded pallets between the aircraft and the freight terminal or truck dock.
<b>palletizing</b>	(shipping) The loading and securing of a number of sacks, bags, boxes or drums on a pallet base.
<b>Panamax</b>	(shipping) An ocean-going cargo vessel of the maximum size possible to pass through the locks of the Panama Canal, which are 1000ft long by 110ft wide and 85ft deep. These vessels are typically of 50,000 to 80,000 dwt, 965ft (290m) in length; 106ft. (32.3m) beam; and 39.5ft (12.04m) draft.
<b>Paperless Master In-bond</b>	(United States) A U.S. Customs and Border Protection program that controls the movement and disposition of master in-bond (MIB) shipments from the carrier's custody at the port of unloading to the same carrier's custody at the port of destination. For more information contact the CBP Industry Partnership Programs at [1] (202) 927-0520 or go to: <a href="http://www.cbp.gov">www.cbp.gov</a> .
<b>PAPS</b>	See Pre Arrival Processing System.
<b>par exchange rate</b>	(foreign exchange) The free market price of one country's money in terms of the currency of another.
<b>par of exchange</b>	(foreign exchange) The market price of money in one national currency that is exchanged at the official rate for a specific amount in another national currency, or another commodity of value (gold, silver, etc.).
<b>par value</b>	(foreign exchange) The official fixed exchange rate between two currencies or between a currency and a specific weight of gold or a basket of currencies. See foreign exchange.

<b>parallel trade (parallel imports)</b>	(economics) Imports of genuine copyrighted, patented or trademarked products without the authorization of the copyright, patent or trademark holder. Parallel trade is the subject of great debate, especially in the pharmaceutical industry. For example, U.S. manufacturers of pharmaceuticals sell their products for what the market will bear in local country markets around the world. In some cases licenses are granted to producers to manufacture the items locally, often at substantially lower cost, resulting in a lower local market price. This means that the same drug may sell for more in the U.S. and, for example, less in Canada. U.S. consumers, however, in an effort to save money, purchase the drug in Canada and import it into the U.S., technically in violation of U.S. import laws regarding copyrights, patents and trademarks. The pharmaceutical industry argues that this practice, while giving short-term benefit to consumers, drains profits and ultimately research and development money from the industry for new products. Also called gray market or gray market imports.
<b>parcel post air freight</b>	(shipping) An airline service through which a shipper can consolidate a number of parcel post packages (with destination postage affixed by the shipper) for shipment as air freight to the postmaster at another city for subsequent delivery within local postal zones or beyond.
<b>parent bank</b>	(banking) A bank in a major industrial country that sets up a subsidiary in a developing country.
<b>parent corporation</b>	(law) A corporation (business entity) that owns all or the majority interest of another business entity.
<b>Pareto Principle/Postulate (80-20 rule)</b>	(business theory) The concept that when a large number of individuals or organizations contribute to a result, the major part of the result comes from a minority of the contributors. The Pareto Postulate is that 20% of your effort or clients will generate 80% of your results or business. This is commonly referred to as the 80/20 rule. An actual percentage can be calculated by ranking customers or contributors by volume or any other factor. The Pareto Principle is based on the work and writings of the 19th century Italian economist Vilfredo Pareto.
<b>pari passu</b>	(law) On an equal basis without preference. Creditors who receive payment pari passu, for example, are paid in proportion to their interests without regard to whether any of the claims would have taken priority over others.
<b>Paris Club</b>	<p>Under the International Monetary Fund's (IMF) General Agreements to Borrow (GAB), established in 1962, 10 of the wealthiest industrial members of the IMF agreed to lend funds to the IMF, up to specified amounts "when supplementary resources are needed." The finance ministers of these countries comprise the Paris Club (also called the Group of 10).</p> <p>The Paris Club has become a popular designation for meetings between representatives of a developing country that wishes to renegotiate its "official" debt (normally excluding debts owed by and to the private sector without official guarantees) and representatives of the relevant creditor governments and international institutions. These meetings usually occur at the request of a debtor country that wishes to consolidate all or part of its debt service payments falling due over a specified period. Meetings are traditionally chaired by a senior official of the French Treasury Department. Comparable meetings occasionally take place in London and in New York for countries that wish to renegotiate repayment terms for their debts to private banks. These meetings are sometimes called "creditor clubs." See International Monetary Fund; Group of Ten.</p>
<b>Paris Convention</b>	The Paris Convention for the Protection of Industrial Property, first adopted in 1883, is the major international agreement providing basic rights for protecting industrial property. It covers patents, industrial designs, service marks, trade names, indications of source, and unfair competition. The U.S. ratified this treaty in 1903. The treaty provides two fundamental rights:

	<p>(1) The principle of national treatment provides that nationals of any signatory nation shall enjoy in all other countries of the union the advantages that each nation's laws grant to its own nationals.</p> <p>(2) The right of priority enables any resident or national of a member country to, first, file a patent application in any member country and, thereafter, to file a patent application for the same invention in any of the other member countries within 12 months of the original filing and receive benefit of the original filing date.</p> <p>See patent; trademark; copyright; World Intellectual Property Organization; Patent Cooperation Treaty.</p>
<b>Paris Union</b>	See World Intellectual Property Organization.
<b>parity</b>	<p>(general) Equality in amount or value. For example, if the price for goods sold in two different markets is the same, the price is in parity.</p> <p>(foreign exchange) Exchange relationship of a currency to a legally binding reference, i.e., to a specific amount of gold, to Special Drawing Rights (SDRs) or to other currencies. See special drawing right(s).</p> <p>(foreign exchange/official parity) Predetermined exchange rate relationship between two currencies.</p>
<b>parol</b>	(law) Oral expression. A parol contract, for example, is one that is verbal only and that has not be put into writing by the parties.
<b>PARS (Pre-Arrival Review System)</b>	(Canada) A Canada Revenue Agency (CRA) electronic data interchange (EDI) system that allows importers and brokers to gain shipment release information prior to the arrival of the goods in Canada. Information at: <a href="http://www.cbsa-asfc.gc.ca">www.cbsa-asfc.gc.ca</a> .
<b>partial loss</b>	(insurance) Any loss that is less than a total loss; specifically a particular average loss or a general average loss. See particular average, general average.
<b>particular average</b>	<p>(insurance) An insurance loss that affects specific interests only. There are two kinds of particular average losses: the total loss of a part of the goods, and the arrival of goods at destination in a damaged condition.</p> <p>In the first situation, it is necessary to determine how much of the total amount insured is applicable to the missing item. In homogeneous or fungible cargo--that is, cargo which is capable of mutual substitution, like oil or coal--it is frequently a matter of simple arithmetic. The value of the unit of measurement of the cargo is found by dividing the amount of insurance by the total number of units in the shipment. This value multiplied by the number of missing units gives the value of the loss.</p> <p>Where a normal or trade loss is to be expected, as in cargo subject to leakage, slackage or loss of moisture during the voyage, the method of calculation is slightly different. The value of the insurance is divided by the number of units in the "expected outturn," that is, the expected arrived quantity rather than the shipped quantity. This can be determined either by the normal percentage of trade loss for similar shipments or by examinations of sound arrived cargo forming part of the shipment in question. While this method will produce a somewhat higher insured value per unit, it naturally requires the normal or trade loss to be deducted in calculating the actual shortage sustained.</p> <p>See average; general average; with average; free of particular average; deductible average; trade loss.</p>

<b>parties to the credit</b>	<p>(banking) At least the following three parties are involved in a documentary letter of credit transaction:</p> <p>(1) Applicant (buyer/importer),</p> <p>(2) Issuing bank (buyers bank), and</p> <p>(3) Beneficiary (seller/exporter).</p> <p>As a rule, however, the issuing bank will entrust a correspondent bank with the task of advising and authenticating the credit and, if applicable, with payment, acceptance or negotiation. The issuing bank may also request the advising bank to add its confirmation.</p> <p>See letter of credit; confirmation; issuing bank; advising bank.</p>
<b>Partners in Protection (PIP)</b>	<p>(Canada Customs) A Canada Border Services Agency (CBSA) program that is designed to enlist the co-operation of private industry in efforts to enhance border security, combat organized crime and terrorism, increase awareness of customs compliance issues and help detect and prevent contraband smuggling.</p> <p>Participating organizations are asked to sign an agreement known as a Memorandum of Understanding (MOU) with the CBSA. The arrangement is based on goodwill. Participating organizations are not asked to act as a law-enforcement body, and all information exchanged is treated as confidential. Organizations and the CBSA work together to focus on security, the exchange of information and awareness.</p> <p>To enhance and strengthen security processes, participating companies are asked to give a self-assessment of their security systems. This self-assessment will help CBSA identify any weaknesses in security processes and will enable the to help firms address any deficiencies. The goal is to minimize the threat of illegal activity. For information about PIP and the CBSA go to: <a href="http://cbsa-asfc.gc.ca/security-secure/pip-pep/menu-eng.html">http://cbsa-asfc.gc.ca/security-secure/pip-pep/menu-eng.html</a>.</p>
<b>partnership</b>	<p>(law) An unincorporated business owned and operated by two or more persons (partners), who may have general or limited liability in accordance with the partnership agreement. Note: The definition of status of partnership varies from country to country, and is not recognized as a business entity in some countries. See general partnership; limited partnership.</p>
<b>passengermile/kilometer</b>	<p>(logistics) A passenger load factor equal to the transportation of one passenger for one mile/kilometer. A measure of a carrier's total passenger miles/kilometers in the course of a year would be the total number of passengers carried during a year multiplied by the average number of miles/kilometers each passenger traveled.</p>
<b>pataca</b>	<p>The currency of Macao. P1=100 avos.</p>
<b>patent</b>	<p>(law) A grant by law to an inventor of a device of the right to exclude other persons from making, using, or selling the device. The patent holder has the right to license to another person the right to make, use, or sell the device. A patent is available only for devices that embody a new idea or principle and that involve a discovery. Patent protection varies from country to country, and may not be available in some jurisdictions. A country that is a member the Paris Convention for the Protection of Industrial Property may recognize patents held in other jurisdictions. See copyright; service mark; trademark; Paris Convention; World Intellectual Property Organization.</p>

<b>Patent Cooperation Treaty (PCT)</b>	The PCT, is a worldwide convention, open to any Paris Convention country. The PCT entered into force in 1978. Unlike the Paris Convention, which addresses substantive intellectual property rights, the PCT addresses procedural requirements, aiming to simplify the filing, searching, and publication of international patent applications. See Paris Convention.
<b>payable in exchange</b>	(foreign exchange) The requirement that a negotiable instrument be paid in the funds of the place from which it was originally issued.
<b>payee</b>	(banking) The person or organization to whom a check or draft or note is made payable. The payee's name follows the expression "pay to the order of." See payer; negotiable; negotiable instrument.
<b>payer</b>	(banking) The party primarily responsible for the payment of the amount owed as evidenced by a given negotiable instrument. See payee; negotiable; negotiable instrument.
<b>payload</b>	(shipping) (a) The gross weight minus the tare of a shipping container or trailer. (b) The maximum cargo weight a container or trailer is rated to carry. (c) The gross weight minus the tare, fuel and operating personnel of a truck, vessel or aircraft. (d) The maximum cargo and passenger weight a vessel or aircraft is rated to carry. (e) The revenue producing portion of an aircraft or vessel's load including cargo and passengers.
<b>payments surplus</b>	(economics) The excess of the value of a nation's exports over its imports. See balance of trade.
<b>pedimento</b>	(Mexico) The required document for the import or export of goods from Mexico, prepared by a Mexican customs broker.
<b>penalties</b>	(customs) The charges assessed or action taken by customs in response to a violation of a customs-enforced regulation or law.
<b>per diem</b>	(general) Latin for "per day." A charge or allowance based upon a rate or cost per day.  (travel) The monetary cost or allowance given an employee to pay expenses while traveling or living at another location.  (logistics) Payment or charges based on a daily rate.
<b>perfect competition</b>	(economics) A description for an industry or market unit consisting of a large number of purchasers and sellers all involved in the buying and selling of a homogeneous good, with awareness of prices and volume, no discrimination in buying and selling, and a mobility of resources.
<b>performance</b>	(law) The proper fulfillment of a contract or obligation.
<b>performance bond</b>	(insurance) A bond which guarantees proper fulfillment of the terms of a contract. In practice, the beneficiary of the bond (usually the buyer of services and/or goods), will claim financial restitution under the bond if the principal (supplier of the services and/or goods) fails to comply with the terms and conditions of the contract. See bond; surety.
<b>performance-based pricing</b>	In this pricing model, the client agrees to pay the vendor on a "sliding-scale" basis with greater pay for greater performance based upon either quality or volume. Performance-based pricing establishes financial incentives that encourage the vendor to perform efficiently or effectively. The vendor may also be financially penalized for under performance. For example:  A vendor is paid a standard rate for operating a client's customer help desk to a stated standard, an additional sum if

	the operation achieves customer satisfaction ratings above a certain level, and a penalty if the customer satisfaction drops below a certain level.
<b>peril</b>	(insurance) A specific cause of a loss or potential loss.
<b>peril point</b>	(economics) A hypothetical limit beyond which a reduction in tariff protection would cause serious injury to a domestic industry.  (U.S.) U.S. legislation in 1949 that extended the Trade Agreements Act of 1934 required the Tariff Commission to establish such "peril points" for U.S. industries, and for the president to submit specific reasons to Congress if and when any U.S. tariff was reduced below those levels. This requirement, which was an important constraint on U.S. negotiating positions in early General Agreement on Tariffs and Trade (GATT) tariff-cutting Rounds, was eliminated by the Trade Expansion Act of 1962.
<b>perils of the sea</b>	(shipping) Loss or damage caused by heavy weather, strandings, strikings on rocks or on bottom, collision with other vessels, contacts with floating objects, etc.  (insurance) Marine insurance coverage that includes unusual action of wind and waves (often described as "stress of weather" or "heavy weather"), stranding, lightning, collision and damage by sea water when caused by insured perils such as opening of the seams of the vessel by stranding or collision. See special marine policy; all risk.
<b>perishable freight</b>	(shipping) Freight subject to decay or deterioration.
<b>permanent normalized trade relations</b>	See normal trade relations (NTR).
<b>person</b>	(law) An individual or legal entity recognized under law as having legal rights and obligations. In the United States, for example, corporations and partnerships are examples of legal entities that are recognized as persons under the law. In countries that allow the formation of limited and unlimited liability companies, those companies are recognized as persons under the law.
<b>personal income</b>	(economics) National income less various kinds of income not actually received by individuals, non-profit institutions, and so on (e.g., undistributed corporate profits, corporate taxes, employer contributions for social insurance), plus certain receipts that do not arise from production (i.e., transfer payments and government interest).
<b>peseta</b>	The former currency of Spain and Andorra, 1Pts=100 centimos. The new currency of Spain and Andorra is the European Union Euro. i1 = 100 cents.
<b>peso</b>	The currency of:  Argentina, \$a1=100 centavos;  Chile, Ch\$1=100 centavos;  Columbia, Col\$1=100 centavos;  Cuba, ? 1=100 centavos;

	<p>Dominican Republic, RD\$1=100 centavos;</p> <p>Mexico, Mex\$1=100 centavos;</p> <p>Philippines, ? 1=100 centavos;</p> <p>Uruguay, \$U1=100 centesimos.</p>
<b>petrodollars</b>	(foreign investment/banking) Huge sums of money from oil-producing nations other than the United States or Great Britain. These funds are initially converted into Eurocurrency and deposited with international banks to be used for future investment and for paying debts. These banks traditionally set limits on the sum they will accept from any one country.
<b>physical distribution</b>	(logistics) The storage and movement of finished products from manufacturing facilities through the logistics chain to the ultimate consumer. See logistics.
<b>phytosanitary inspection certificate</b>	A document indicating that a shipment of cargo has been inspected and is free from harmful pests and plant diseases. Phytosanitary inspection certificates are often required by import authorities for shipments containing plant products.
<b>pick/pack</b>	(logistics) The selection of component parts or finished products from inventory and their subsequent packing for shipment.
<b>pickup and delivery service</b>	(shipping) An optional service for the surface transport of shipments from shipper's door to originating carrier's terminal and from the terminal of destination to receiver's door. Pickup service, at an additional charge, is provided upon shipper's request. In air cargo shipments delivery service is provided automatically by the air carrier at an additional charge unless the shipper requests otherwise. PU&D service is provided between all airports and all local points of such airports. For service beyond the terminal area See truck/air service.
<b>pickup order</b>	(shipping) An order from a broker (working as the agent of a consignee) to a carrier to pick up freight at a location.
<b>pier-to-pier</b>	(shipping) Shipment of cargo by carrier from origin pier to discharge pier. Applies to container yard (CY) cargo. Drayage to/from pier is borne by customer.
<b>piggyback</b>	(shipping/rail shipping) A form of intermodal transport of a truck trailer with chassis and wheels on a rail flat car. Technically called trailer on flat car (TOFC). Also called container on flatcar.
<b>pilferage</b>	<p>(shipping/insurance) (a) The loss of part of the contents of a shipping package to petty thievery, rather than the loss of the shipment as a whole. (b) The loss of goods due to steady theft in small amounts.</p> <p>Many ordinary marine insurance policies do not cover against pilferage. When this coverage is desired, it must be added to the policy.</p>
<b>pilot</b>	(shipping) A person whose office or occupation is to steer ships, particularly along a coast, or into and out of a harbor.
<b>pips</b>	(foreign exchange) In foreign exchange dealing, the last decimal places of a price quotation are called pips for purposes of simplicity (1/100th of 1 percent or 0.0001 of a unit). In futures trading the smallest possible price fluctuation upwards or downwards (1 pip) is called a tick.

<b>place utility</b>	(economics/logistics) The added value given a raw material, component part or finished good as a result of a change in its location. For example, iron ore brought to the smelter is more valuable than iron ore at the mine.
<b>planned order</b>	(logistics) In MRP (Materials Requirements Planning) and DRP (Distribution Requirements Planning) computer software systems, an order that the system automatically creates based upon projected demand, but which may be amended based upon changing demand. See MRP, DRP.
<b>platform (flat bed) trailer</b>	(road transportation) A flat platform truck trailer without sides or ends designed to transport oversized cargo that normally would not fit into standard freight trailers. Platform trailers are used especially for the transport of goods that must be loaded from the side or top of the trailer. Standard cargo for platform trailers includes: ocean freight containers, machinery, construction equipment, lumber, plywood, steel, pipe, and rebar.
<b>platform container</b>	(shipping) An ocean shipping or aircraft (ULD) cargo "container" consisting of a standard-sized rigid platform with fork lift pockets at the bottom and lashing devices on the sides for securing cargo to the platform. Platforms are used for oversized, bulky or awkward cargo loads that will not fit into standard containers. See also flat container.
<b>Plimsoll mark (Plimsoll line)</b>	(shipping) A horizontal load line (or set of horizontal load line markings) painted on the hull of an ocean-going cargo vessel that shows where the waterline is when the vessel is at full capacity. The term is named for Samuel Plimsoll, who as a member of the British Parliament, instigated the passage of the Merchant Shipping Act of 1875 which required the marking of a load line on all merchant ships. Plimsoll was a lone reformer who was vilified in the press, but persevered to end the practice of unscrupulous merchants deliberately launching overloaded "coffin ships" which were intended to sink in order that the owner could collect insurance. The technical term is the international load line. See draft or draught.
<b>PNTR</b>	Acronym for permanent normal trade relations. See normal trade relations (NTR).
<b>point of origin</b>	(shipping) The location at which a shipment is received by a transportation line from the shipper.
<b>point-to-point; door-to-door</b>	(shipping) Designates service and rates for shipments in door-to-door service. Originating carrier spots (places) empty container at shipper's facility at carrier's expense for loading by and at expense of shipper, the delivering carrier spots the loaded container at consignee's facility at carrier's expense for unloading by and at expense of consignee. See demurrage; detention.
<b>poisonous material</b>	(shipping) Items that are extremely toxic to man and animals. (UN CLASS 6.) Examples are cyanogen gas, lead cyanide and parathion. Hazards/precautions are: may cause death quickly if breathed, swallowed or touched; may be flammable, explosive, corrosive or irritating; may be EXTREMELY HAZARDOUS. Look for the "Skull and Crossbones" on the label; degree of hazard key words: poison, danger, warning, highly toxic, moderately toxic, least toxic; and read the label carefully for storage and safety information.
<b>political risk</b>	(economics) Economic risk resulting from the political decisions of sovereign governments as well as political and social events in a country. Political risks include confiscation, expropriation, nationalization, currency inconvertibility, contract frustration, war, civil unrest, revolution and annexation. Political risk can lead to the inability of a debtor to comply with a contract or to the loss, confiscation or damage to goods belonging to an exporter. An exporter may be able to cover this risk by utilizing a confirmed letter of credit or by applying for cover from export credit agencies. See commercial risk.
<b>political risk insurance</b>	(economics) Insurance coverage against political risk. Political risk insurance is typically provided by insurance companies, government entities and organizations such as the Inter-American Development Bank, (Web: <a href="http://www.iadb.org">www.iadb.org</a> ) and the Multilateral Investment Guarantee Agency (Web: <a href="http://www.miga.org">www.miga.org</a> ).

<b>pooling</b>	(logistics) An agreement among a group of carriers to share freight, customers, revenues and/or profits.  (U.S. law) The U.S. Interstate Commerce Act outlaws pooling; however, the Civil Aeronautics Board allows air carriers, during strikes, to enter into profit-pooling agreements.
<b>port</b>	(shipping) (a) A harbor or haven where ships may anchor and discharge or receive cargo. (b) The left side of a ship when one is facing the bow.
<b>port authority</b>	(law) An entity of a local, state or national government that owns, manages and maintains the physical infrastructure of a seaport, airport or bus terminal. Port infrastructure can include wharfs, docks, piers, transit sheds, loading equipment and warehouses. Also known as harbor authority, port trust or port commission.
<b>port charge</b>	(shipping) A charge made for services performed at ports.
<b>port of call</b>	(shipping) A port at which a vessel loads or unloads some or all of its cargo or passengers during a voyage.
<b>port of discharge</b>	(shipping) The port at which a shipment is off-loaded by a transportation line, not to be confused with destination which may be a point further inland.
<b>port of embarkation</b>	See port of export.
<b>port of entry</b>	(shipping/customs) (a) The port at which passengers or cargo enter the administrative or customs territory of a country. (b) An officially designated port where a vessel may enter a country's territory and discharge passengers and cargo. (c) A port where the administrative functions of immigration and customs are handled.  (U.S. Customs) Any place designated by act of U.S. Congress, executive order of the President of the United States, or order of the U.S. Secretary of the Treasury, at which a U.S. Customs officer is assigned with authority to accept entries of merchandise, to collect duties, and to enforce the various provisions of the U.S. Customs laws.
<b>port of export</b>	(shipping) The port, airport or customs point from which an export shipment leaves a country for a voyage to a foreign country.
<b>port of loading</b>	(shipping) The port where cargo is loaded on board a vessel.
<b>port-of-origin air cargo clearance</b>	(shipping) For the convenience of exporters moving goods by air from inland U.S. cities, certain U.S. Customs formalities can now be handled at the originating airport city. This avoids delaying such procedures until the export reaches a gateway point sometimes hundreds of miles from the exporter's business.
<b>portfolio investment</b>	(foreign investment) In general, any foreign investment that is not direct investment is considered portfolio investment. Foreign portfolio investment includes the purchase of voting securities (stocks) at less than a 10 percent level, bonds, trade finance, and government lending or borrowing, excluding transactions in official reserves.
<b>positive-sum</b>	(economics) The concept that a business transaction or negotiation can result in additional benefits or profits to both or all parties to the transaction. Also referred to as win-win. Compare to zero-sum.
<b>post importation NAFTA claim</b>	(NAFTA) A claim for NAFTA status for an import shipment from and to a NAFTA country (Canada, United States, Mexico) made by the importer within one year of the original customs entry.
<b>post-shipment verifications (PSV)</b>	(U.S.) An inspection to determine that an exported strategic commodity is being used for the purposes for which its export was licensed. Firms or individuals representing the end user, intermediate consignees, or the purchaser may be subject to inquiries pertaining to the post-shipment verification. As part of the PSV process, the Bureau of Industry and Security (formerly the Bureau of Export Administration) forwards a cable to the U.S. embassy or consulate in the respective geographical location to conduct an on-site inspection to ensure that the commodity is physically present

	and used as stated in the application. Post-shipment verifications are usually conducted six-to-eight months subsequent to export of the commodity. See Bureau of Industry and Security.
<b>postdated check</b>	(banking) A check bearing a date that has not yet arrived. Such a check cannot be paid by a bank before the date shown and must be returned to the maker or to the person attempting to use it. If presented on or after the date shown, the same check will be honored if the account contains sufficient funds.
<b>pound</b>	<p>The currency of:</p> <p>Egypt, 1LE (or £E!)=100 piasters;</p> <p>Falkland Islands, £F1=100 pence;</p> <p>Gibraltar, £G1=100 pence;</p> <p>Guernsey, (uses UK pound);</p> <p>Jersey, (uses UK pound);</p> <p>South Georgia and South Sandwich Islands, (use UK pound);</p> <p>Lebanon, L.L.1 (or L£1) =100 piastres;</p> <p>St. Helena (uses U.K. pound);</p> <p>Sudan, £1=100 piastres;</p> <p>Syria, £S1=100 piastres;</p> <p>United Kingdom, £1=100 pence.</p> <p>The former currency of Ireland (pound or punt). The new currency of Ireland is the European Union Euro. i1 = 100 cents.</p>
<b>POW WOW</b>	See International POW WOW.
<b>power of attorney</b>	<p>(law) A written legal document by which one person (principal) authorizes another person (agent) to perform stated acts on the principal's behalf. For example: to enter into contracts, to sign documents, to sign checks, and spend money, etc.</p> <p>A principal may execute a special power of attorney authorizing an agent to sign a specific contract or a general power of attorney authorizing the agent to sign all contracts for the principal.</p> <p>(U.S. Customs) Importers often give a limited power of attorney to their customs broker to conduct business with U.S.</p>

	<p>Customs on their behalf.</p> <p>Tip: When you set up a power of attorney, make sure that it is broad enough in its language to cover the types of situations likely to arise, but not so broad that it gives more power to that individual than you intend. Power of attorney falls under "agency" law, which varies from country to country. Before giving someone power of attorney in a foreign country, be sure you understand what the local legal ramifications are. See agent; agency.</p>
<p><b>Pre Arrival Review System (PARS)</b></p>	<p>(Canada Customs) A Canada Border Services Agency (CBSA) (formerly the Canada Customs Revenue Agency (CCRA) border cargo release mechanism for those importers with RMD (Release on Minimum Documentation) privileges that expedites the release of low-risk, low revenue, repetitive commercial shipments to Canada. The release information can be submitted in either paper format or by Electronic Data Interchange (EDI). PARS allows the processing of goods that require permits, licenses and certificates.</p> <p>The Canadian PARS system is similar to the U.S. Pre-Arrival Processing System (PAPS) system, but where PAPS applies to shipments from Canada to the U.S., PARS applies to shipments from the U.S. to Canada.</p> <p>The cargo control number is the key element of the PARS process and must be in a bar-coded format on paper release requests presented to customs for pre-arrival review. The carrier supplies the barcodes.</p> <p>The PARS service option is available for goods imported into Canada by different modes of transport:</p> <p>PARS For goods arriving by highway and cleared at the border;</p> <p>InPARS For goods cleared at an inland highway "sufferance warehouse";</p> <p>RailPARS For goods arriving by rail;</p> <p>MarinePARS For goods arriving by ocean or marine freight; and</p> <p>AirPARS For goods arriving by air freight.</p> <p>For more information, go to the Canada Border Services Agency Web site at: <a href="http://www.cbsa-asfc.gc.ca">www.cbsa-asfc.gc.ca</a>.</p>
<p><b>pre-advice</b></p>	<p>(banking/letters of credit) At the request of an applicant to a letter of credit, the issuing bank may give a pre-advice of issuance and/or amendment of the letter of credit. A pre-advice is usually marked with a reference such as "Full details to follow." Unless otherwise stated, the pre-advice irrevocably commits the issuing bank to issue/amend the credit in a manner consistent with said pre-advice. See letter of credit; advice; advising bank; issuing bank; amendment.</p>
<p><b>Pre-Arrival Processing System (PAPS)</b></p>	<p>(United States) A U.S. Customs Automated Commercial System (ACS) border cargo release mechanism that utilizes barcode technology to expedite the release of commercial shipments while processing each shipment through Border Cargo Selectivity (BCS) and the Automated Targeting System. (ATS). For more information go to: <a href="http://www.cbp.gov">www.cbp.gov</a>. See Automated Commercial System, Border Cargo Selectivity, Automated Targeting System.</p>

<b>pre-carriage</b>	(shipping) The initial transport of goods from the seller's premises to the main port or place where main carriage begins. Usually by truck, rail, or inland waterway. See main carriage, onward carriage.
<b>pre-license checks (PLC)</b>	(U.S.) Pre-license checks are conducted to determine that a request for a license to export a controlled commodity represents a legitimate order. Firms or individuals representing the licensee (the applicant), a consignee, the purchaser, an intermediate consignee, or the end user may be subject to inquiries pertaining to the pre-license check. As part of the process, the Bureau of Industry and Security (formerly the Bureau of Export Administration) forwards a cable to the U.S. embassy or consulate in the respective geographical location to conduct an inspection or meet with company representatives to conduct inquiries on BXA's behalf. See Bureau of Industry and Security.
<b>preferences</b>	(law) A creditor's right to be paid before other creditors of the same debtor. A creditor who holds a secured note, for example, generally has preference over one who holds an unsecured note.
<b>Preferential Trade Agreement for Eastern and Southern Africa</b>	See Common Market for Eastern and Southern Africa.
<b>preliminary determination</b>	(U.S.) The determination announcing the results of a dumping investigation conducted within 160 days (or, in extraordinarily complicated cases, 210 days) after a petition is filed or an investigation is self-initiated by the International Trade Administration (ITA). If it is determined that there is a reasonable basis to believe or suspect that the merchandise under consideration is being sold or is likely to be sold at less than fair value, liquidation of all affected entries is suspended, and the matter is referred to the International Trade Commission. "Preliminary determination" also refers to the decision by the ITC where there is a reasonable indication that an industry in the United States is materially injured, or threatened with material injury, or the establishment of an industry in the United States is materially retarded by reason of the imports of the merchandise which is the subject of the petition. The ITC must make its decision within 45 days after the date on which the petition is filed or an investigation is self-initiated by the International Trade Administration. If this determination is negative, the investigation is terminated. See dumping; International Trade Administration; fair value.
<b>premium</b>	<p>(general) The amount above a regular price, paid as an incentive to do something. For example, a buyer might pay a premium for quick delivery. Opposite of discount.</p> <p>(foreign exchange) (a) Premium, markup (forward premium) or contango of a forward rate against the spot rate. (b) The price at which an option sells.</p> <p>(insurance) A fee paid by the insured to the insurer in consideration for insurance covered by an insurance policy. Underwriters calculate risk and the premiums required to insure against it based upon the probability of the event occurring and the possible extent of the resulting damage or loss. The higher the probability and the higher the potential damage, the greater the premium.</p> <p>The receipt of premiums by the insurer will legally bind the insurance contract. Late or "lapsed" premiums generally void the contract. Premium payments may have a "grace period" during which they can be paid after the stated due date, but this cannot be assumed.</p>

<b>prepaid</b>	(shipping) (a) A notation on a shipping document indicating that shipping charges have already been paid by the shipper or his agent to the carrier. (b) Also, that shipping charges are to be paid by the consignee or his agent prior to release of the shipment.
<b>prepaid charges</b>	See prepaid freight.
<b>prepaid freight</b>	(logistics) Freight for which transportation charges have been paid by the consignor (shipper) at the time of shipment. Prepaid freight charges are generally not refundable.
<b>prescription period</b>	See limitation period.
<b>President's Export Council (PEC)</b>	<p>(U.S.) Advises the president on government policies and programs that affect U.S. trade performance; promotes export expansion; and provides a forum for discussing and resolving trade-related problems among the business, industrial, agricultural, labor, and government sectors.</p> <p>The Council was established by Executive Order of the president in 1973 and was originally composed only of business executives. The Council was reconstituted in 1979 to include leaders of the labor and agricultural communities, Congress, and the Executive branch.</p> <p>Twenty-eight private sector members serve "at the pleasure of the president" with no set term of office. Other members include five U.S. Senators and five Members of the House, the Secretaries of Agriculture, Commerce, Labor, State, and Treasury, the Chairman of the Export-Import Bank, and the U.S. Trade Representative. The Council reports to the president through the Secretary of Commerce. Tel: [1] (202) 482-1124; Web: <a href="http://trade.gov/pec">http://trade.gov/pec</a>.</p>
<b>price support</b>	(economics) Subsidy or financial aid offered to specific growers, producers, or distributors, in accordance with governmental regulations to keep market prices from dropping below a certain minimum level.
<b>pricing (of a loan)</b>	(banking/finance) Fixing the cost of a loan, i.e., the interest rate and any other charges, such as front end fees.
<b>prima facie</b>	(law) A presumption of fact as true unless contradicted by other evidence. For example, unless an agreement assigning contract rights clearly states that outstanding interest payments are retained by the assignor, the right to collect such payments is deemed transferred prima facie to the assignee.
<b>primary-business test</b>	(U.S. law/trucking) A test used by the U.S. Interstate Commerce Commission (ICC) to determine if a trucking operation is a bona fide private transportation firm. The test was designed as a response to certain trucking operators who had been using phony "buy and sell" arrangements to avoid interstate trucking regulations.
<b>prime contractor</b>	(law) An individual or company that assumes the overall responsibility of fulfilling the terms of a contract, usually by coordinating the activities of a number of subcontractors. See subcontractor.
<b>principal</b>	(law) An individual or legal entity who authorizes another party (agent) to act on the principal's behalf. See agency; agent; power of attorney.
<b>Prior Disclosure</b>	(U.S. Customs) A voluntary corrected declaration made to U.S. Customs and Border Protection (CBP) in good faith by a U.S. importer or exporter who has mistakenly (but not fraudulently) violated a Customs law or made an incorrect certification. The corrected declaration or certification must be made before commencement or knowledge of a formal investigation, within 30 days of knowledge of the violation, and be accompanied by payment of any duties and merchandise processing fees (MPF) that were not properly paid. A Prior Disclosure saves the U.S. importer or exporter from paying civil or administrative penalties. Prior Disclosure is part of the CBP's "reasonable care" standard

	<p>for importers.</p> <p>See reasonable care.</p>
<b>prior notice</b>	<p>(United States) Notification to the U.S. Food and Drug Administration (FDA) that an article of food, including animal feed or pet food, is being imported or offered for import into the United States in advance of the arrival of the article of food at the U.S. border.</p> <p>Additional information on the prior notice regulation may be found on FDA's web site at <a href="http://www.fda.gov/oc/bioterrorism/bioact.html">www.fda.gov/oc/bioterrorism/bioact.html</a>.</p> <p>For information on the U.S. Customs and Border Protection's (CBP's) procedures for prior notice, go to the CBP Web site at: <a href="http://www.cbp.gov">www.cbp.gov</a>.</p>
<b>priority air freight</b>	<p>(shipping) Reserved air freight or air express service wherein shipments have a priority after mail and the small package services. Any size or weight allowed within air freight service limits is acceptable. Advanced reservations are permitted for movement on a given flight and, in some cases, a partial refund is paid the shipper if the shipment is not moved on the flight specified.</p>
<b>priority foreign countries</b>	<p>See Special 301.</p>
<b>priority logistics management</b>	<p>(shipping) The application of the just in time transportation theory. See just in time.</p>
<b>priority watchlist</b>	<p>See Special 301.</p>
<b>private corporation</b>	<p>(law) (a) A business corporation with shares that are not traded among the general public. (b) A corporation that is established by individuals to conduct business or other activities and that does not perform government functions. See corporation; close corporation; public corporation.</p>
<b>Private Export Funding Corporation (PEFCO)</b>	<p>(U.S.) PEFCO works with the Export-Import Bank in using private capital to finance U.S. exports. PEFCO acts as a supplemental lender to traditional commercial banking sources by making loans to public and private borrowers located outside of the United States who require medium and/or longer-term financing of their purchases of U.S. goods and services. Contact: PEFCO; 280 Park Avenue, Suite 4W; New York, NY 10017 USA; Tel: [1] (212) 916-0300; Web: <a href="http://www.pefco.com">www.pefco.com</a>. See Export-Import Bank of the United States.</p>
<b>Private Limited (Pte. Ltd.)</b>	<p>(India, Zimbabwe, Singapore) Designation for a private limited liability corporation with limited liability to shareholders.</p>
<b>private limited liability corporation</b>	<p>See closely held corporation.</p>
<b>private sector</b>	<p>(economics) That part of an economy not under direct government control and that functions within the market. Private enterprise. See public sector.</p>
<b>privatization</b>	<p>(economics/law) The sale of state owned and operated enterprises and assets to private individuals or groups of individuals. Privatization is the opposite of nationalization and is an effort by governments to allow market forces determine the fate of the enterprise. See nationalization, expropriation.</p>

<b>pro forma</b>	When coupled with the title of another document (pro forma invoice, pro forma manifest), it means an informal document presented in advance of the arrival or preparation of the required document in order to satisfy a requirement, usually a customs requirement.
<b>pro forma invoice</b>	<p>An invoice provided by a supplier prior to a sale or shipment of merchandise, informing the buyer of the kinds and quantities of goods to be sent, their value, and important specifications (weight, size, and similar characteristics). A pro forma invoice is used: (1) as a preliminary invoice together with a quotation; (2) for customs purposes in connection with shipments of samples, advertising material, etc.</p> <p>(U.S. Customs) An invoice provided by the importer in lieu of a commercial invoice when a commercial invoice is not available at the time of merchandise entry. In such cases the importer must present a bond to Customs guaranteeing production of the required commercial invoice not later than 120 days from the date of entry. If the invoice is needed by Customs for statistical purposes, it must generally be produced within 50 days from the date the entry summary is required to be filed.</p> <p>If the required commercial invoice is not presented to Customs before the expiration of the 120-day period, the importer incurs a liability under his bond for failure to file.</p> <p>See invoice; commercial invoice; entry; bond.</p>
<b>procurement</b>	<p>(a) The purchase of goods, services, supplies and equipment. (b) The process by which goods, services, supplies and equipment are purchased.</p> <p>The procurement process can include: establishing the need, establishing specifications, writing a request for proposal, soliciting bids, evaluating bids, negotiating contracts, writing a purchase order, contract administration, and adding items to inventory.</p>
<b>product groups</b>	(U.S.) Commodity groupings used for export control purposes. See export control classification number.
<b>production offshoring</b>	The relocation of manufacturing production to a foreign country. In production offshoring the production can be performed by either a division or subsidiary of the offshoring company, or by an unrelated third-party entity.
<b>productivity</b>	(economics) A measurement of the efficiency of production. A ratio of output to input (e.g., 10 units per person-hour).
<b>profit, gross</b>	<p>(economics/accounting) (gross profit/gross margin) Net sales less cost of goods sold (before consideration of selling and administrative expenses). Gross profit is expressed in dollar figures; gross margin is expressed as a percentage of net sales.</p> <p>(U.S. Customs) For the purposes of constructed value in an antidumping duty investigation or review, the profit used is the profit normally earned by a producer, from the country of export, of the same or similar product as that under investigation. By statute, the amount of profit shall not be less than 8 percent of the sum of general expenses and cost. See dumping; countervailing duty.</p>
<b>project creep</b>	The addition of features or tasks to a project after the project specifications and budget have been approved by both parties. Project creep is an inevitable feature of outsourcing relationships and should be anticipated in the original contract. Project creep is usually charged on a cost plus basis.

<b>project license</b>	(U.S.) A license which authorizes large-scale exports of a wide variety of commodities and technical data for specified activities. Those activities can include capital expansion, maintenance, repair or operating supplies, or the supply of materials to be used in the production of other commodities for sale. See Bureau of Industry and Security.
<b>promissory note</b>	(banking) (a) Any written promise to pay. (b) A negotiable instrument that is evidence of a debt contracted by a borrower from a creditor, known as a lender of funds. If the instrument does not have all the qualities of a negotiable instrument, it cannot legally be transferred. See negotiable instrument.
<b>promoter of corporation</b>	(law) Individual or entity that organizes a corporation.
<b>promotional rate</b>	(shipping) A rate applying to traffic under special conditions and usually confined to movement between a limited number of cities. Early rates on fresh farm produce which helped develop increased air freight volumes from the West Coast to eastern cities are examples of promotional rates. See special rates.
<b>proof of delivery</b>	(shipping) Information provided to payor containing name of person who signed for the package with the date and time of delivery.
<b>Proprietary Limited (Pty. Ltd.)</b>	(Australia, South Africa) Designation for a private limited liability corporation with limited liability to shareholders.
<b>proprietor</b>	(law) A person who has an exclusive right or interest in property or in a business.
<b>proprietorship</b>	(law) A business owned by one person. The individual owner has all the rights to profits from the business as well as all the liabilities and losses. Synonymous with "individual proprietorship."
<b>PROSEC (Programs of Sectorial Promotion)</b>	(Mexico) Mexican government program designed to eliminate or reduce import duties (down to 0 to 7%) in over 20 industrial sectors, especially for materials and components that are to be exported later as manufactured products.
<b>protectionism</b>	(economics) The deliberate use or encouragement of restrictions on imports to enable relatively inefficient domestic producers to compete successfully with foreign producers.
<b>protective order</b>	(U.S. Customs) With regard to antidumping cases, a term for the order under which most business proprietary information is made available to an attorney or other representative of a party to the proceeding. See dumping.
<b>protective service</b>	(shipping) Many airlines offer a protective service where shippers can arrange to have their shipments under carrier surveillance at each stage of transit from origin to destination. This service can be extended to pickup and delivery. Shippers can also arrange for armed guard protection. There is usually an extra charge for various levels of protective service. See signature service.
<b>protective tariff</b>	(customs/economics) A duty or tax imposed on imported products for the purpose of making them more expensive in comparison to domestic products, thereby giving the domestic products a price advantage. See tariff.
<b>protest</b>	<p>(U.S. Customs) The means by which an importer, consignee, or other designated party may challenge decisions, (usually regarding the dutiable status of imported goods) made by a District Director of Customs. The importer files a protest and an application for further review on Customs Form 19 within 90 days after liquidation. If the Customs Service denies a protest, an importer has the right to litigate the matter by filing a summons with the U.S. Court of International Trade within 180 days after denial of the protest. The rules of the court and other applicable statutes and precedents determine the course of Customs litigation.</p> <p>While the Customs ascertainment of dutiable status is final for most purposes at the time of liquidation, a liquidation is not final until any protest which has been filed against it has been decided. Similarly, the administrative decision issued on a protest is not final until any litigation filed against it has become final.</p>

	<p>Entries must be liquidated within one year of the date of entry unless the liquidation needs to be extended for another one-year period not to exceed a total of four years from the date of entry. The Customs Service will suspend liquidation of an entry when required by statute or court order. A suspension will remain in effect until the issue is resolved. Notifications of extensions and suspensions are given to importers, surety companies and customs brokers who are parties to the transaction.</p> <p>See entry; liquidation.</p> <p>(banking) Legal procedure noting the refusal of the drawee to accept a bill of exchange (protest for non-acceptance) or to pay it (protest for non-payment). Essential in order to preserve the right of recourse on the endorser.</p>
<b>protest system</b>	(U.S. Customs) A part of U.S. Customs' Automated Commercial System, tracks protests from the date they are received through final action. See Automated Commercial System.
<b>protocol</b>	<p>(diplomacy) (a) A preliminary document or memorandum signed by diplomatic or commercial negotiators which is used as a basis for final negotiations, agreements conventions or treaties. (b) The etiquette and ranking of diplomatic personnel.</p> <p>(U.S.) U.S. diplomatic ranking is as follows: (1) Ambassadors-at-large have a higher rank than a regular Ambassador and are higher ranked on protocol than, say, the head of the C.I.A.; (2) The Deputy Chief of Mission, almost always a career officer, has the personal rank of Minister which is one rank down from Ambassador; (3) The rank of Minister-Counselor is just a little step below Minister; (4) The Chargé d'Affaires may either be acting, or indefinite, and is regarded as the acting Ambassador when the Ambassador is out of the country or when, for political reasons, an Ambassador is not appointed to a country; (5) An Attaché may be either fairly high or fairly low; in terms of rank an Attaché can be anything; a Military Attaché is of at least medium rank, but the military hold no diplomatic rank; (6) A consulate is not a diplomatic mission, nor is it autonomous; it is established by an international organization (such as U.S. Mission to the European Communities (USEC) or NATO) or is used for reasons of diplomatic snobbery or pique.</p>
<b>Protocol of Provisional Application</b>	(GATT/WTO) A legal device that enabled the original contracting parties to accept General Agreement on Tariffs and Trade (GATT) obligations and benefits, despite the fact that some of their existing domestic legislation at that time discriminated against imports in a manner that was inconsistent with certain GATT provisions. Although meant to be "temporary," the Protocol has remained in effect; and countries that signed the PPA in 1947 continue to invoke it to defend certain practices that are otherwise inconsistent with their GATT/WTO obligations. Countries that acceded to the GATT/WTO after 1947 have also done so under the terms of the Protocol. See General Agreement on Tariffs and Trade, World Trade Organization (WTO).
<b>provenance</b>	(law) (a) The documented ownership history of an item, especially a work of art. (b) The country and place of origin of a grown, mined or manufactured item.
<b>PTT</b>	Acronym for Post Telephone Telegraph. The national monopoly agency or authority that provides postal, telephone and telegraph services in certain countries. Most western economies have deregulated at least their telecommunications systems and rigid monopolies rarely exist.

<b>public corporation</b>	(law) (a) A business corporation with shares traded among the general public, such as through a stock exchange. (b) A corporation created by a government to administer its operations. See corporation; close corporation; private corporation.
<b>Public Goods</b>	See Global Public Goods.
<b>Public Limited Company (PLC)</b>	(United Kingdom) Designation for a public corporation with limited liability to shareholders.
<b>public sector</b>	(economics) That part of an economy that is not privately owned, either because it is owned by the state or because it is subject to common ownership. Includes the national government, local authorities, national industries and public corporations. See private sector.
<b>public warehouse receipt</b>	(logistics) A document issued by a public warehouse manager for receipt of goods into a warehouse. Public warehouse receipts can be either negotiable or non-negotiable.
<b>publication</b>	(law) (a) Offering or distributing information or materials to the public generally. (b) Communicating defamatory information to a third person.
<b>published rate</b>	(shipping) The charges for a particular class of cargo as published in a carrier's tariff.
<b>pula</b>	The currency of Botswana. P1=100 thebe.
<b>pull ordering system</b>	(logistics) A stocking and warehousing order system where a stocking location places orders for inventory based upon its own individual needs. A pull ordering system is based upon actual demand for the product, service or component rather than projected demand. See push ordering system, push strategy, pull strategy, push/pull strategy.
<b>pull strategy</b>	(logistics) A production and distribution strategy based on specific customer demand. In a pure pull strategy only goods and services actually ordered by customers are produced and shipped; there is no inventory of completed products. The term is used in many other fields to describe decision making by demand of the marketplace rather than by a central authority. See push ordering system, push strategy, pull ordering system, push/pull strategy.
<b>punt</b>	The former currency of Ireland. The new currency of Ireland is the European Union Euro. i1 = 100 cents.
<b>purchase order</b>	A purchaser's written offer to a supplier formally stating all terms and conditions of a proposed transaction.
<b>purchase price</b>	(U.S. Customs) A statutory term used in dumping investigations to refer to the United States sales price of merchandise which is sold or likely to be sold prior to the date of importation, by the producer or reseller of the merchandise for exportation to the United States. Certain statutory adjustments (e.g., import duties, commissions, freight) are made, if appropriate, to permit a meaningful comparison with the foreign market value of such or similar merchandise. See dumping.
<b>purchaser</b>	(U.S.) Within the context of export controls, the purchaser is that person abroad who has entered into the export transaction with the applicant to purchase the commodities or technical data for delivery to the ultimate consignee.
<b>purchasing agent</b>	(law) An agent who purchases goods in his/her own country on behalf of foreign buyers such as government agencies and private businesses. See agent; agency.
<b>pure market economy</b>	(economics) A competitive economic system of numerous buyers and sellers, where prices are determined by the free interaction of supply and demand.
<b>purpose built</b>	(UK) A piece of equipment, facility or vehicle designed and made to perform a specific function. Roughly translated from British to American English as "custom made." The U.S. term, however, does not necessarily refer to an item's functionality.

<b>push ordering system</b>	(logistics) A stocking and warehousing order system based on inventory deployment decisions being made by a centralized authority rather than by field locations. See pull ordering system, pull strategy, push strategy, push/pull strategy.
<b>push strategy</b>	(logistics) A production and distribution strategy based upon forecasts rather than on specific customer demand. The term is used in many other fields to describe centralized decision-making authority without the immediate input of data from the marketplace. See pull strategy, pull ordering system, push ordering system, push/pull strategy.
<b>push/pull strategy</b>	(logistics) A production and distribution strategy based upon a combination of forecasts and specific customer demand. For example, a manufacturer might purchase component parts based upon sales forecasts, but manufacture finished products only upon actual customer orders. See pull strategy, pull ordering system, push strategy, push ordering system.
<b>put</b>	(banking/finance) A right to redeem a debt instrument before maturity at par under specific circumstances outlined in the original agreement. See option; put option; call; call option.
<b>put option</b>	(banking/finance) A contract which entitles one party, at his option, to sell a specified amount of a commodity, security or foreign exchange to another party, at the price fixed in the contract, during the life of the contract. See option; call option; American Option; European Option.
<b>quadrilateral meetings</b>	Meetings involving trade ministers from the U.S., the European Community, Canada, and Japan to discuss trade policy matters.
<b>quantitative restrictions (QRs)</b>	<p>(customs) Explicit limits, or quotas, on the physical amounts of particular commodities that can be imported or exported during a specified time period, usually measured by volume but sometimes by value. The quota may be applied on a "selective" basis, with varying limits set according to the country of origin, or on a quantitative global basis that only specifies the total limit and thus tends to benefit more efficient suppliers. Quotas are frequently ministered through a system of licensing.</p> <p>(WTO) The World Trade Organization (WTO) generally prohibits the use of quantitative restrictions, except under conditions specified by other WTO articles.</p> <p>See quotas; General Agreement on Tariffs and Trade (GATT), World Trade Organization (WTO).</p>
<b>quarantine</b>	(shipping) (a) The term during which an arriving ship or airplane, including its passengers, crew and cargo, suspected of carrying a contagious disease, is held in isolation to prevent the possible spread of the disease. (b) The place where a ship, airplane, individual or cargo is detained during quarantine.
<b>quay</b>	(shipping) A structure built for the purpose of mooring a vessel. Also called a pier.
<b>quetzal</b>	The currency of Guatemala. Q1=100 centavos.
<b>queue</b>	(a) A line or group of people waiting for service, such as a line of people waiting in a teller line at a bank. (b) Paperwork in a stack waiting for processing. (c) Items on a waiting list waiting for processing or repair.
<b>quick response</b>	(logistics) A logistics strategy designed to lower costs and increase response to customer demand by shortening the lead time for order fulfillment and increasing the frequency of deliveries.
<b>quid pro quo</b>	(law/business) "Something for something" (Latin). A mutual consideration; securing an advantage or receiving a concession in return for a similar favor.

<b>quota</b>	<p>(customs) A limitation on the quantity of goods that may be imported into a country from all countries or from specific countries during a set period of time.</p> <p>(a) Absolute quotas permit a limited number of units of specified merchandise to be entered or withdrawn for consumption in a country during specified periods.</p> <p>(b) Tariff-rate quotas permit a specified quantity of merchandise to be entered or withdrawn in a country at a reduced rate during a specified period.</p> <p>(U.S. Customs) In the United States, quotas are established by Presidential Proclamations, Executive Orders, or other legislation. See quantitative restrictions; quota system; visa.</p>
<b>quota system</b>	<p>(U.S. Customs) A part of the U.S. Customs' Service Automated Commercial System, controls quota levels (quantities authorized) and quantities entered against those levels. Visas control exports from the country of origin. Visa authorizations are received from other countries and quantities entered against those visas are transmitted back to them. Control of visas and quotas simplify reconciliation of other countries' exports and U.S. imports. See Automated Commercial System; visa.</p>
<b>quotation</b>	<p>(foreign exchange) The price quotation of a currency can be made either directly or indirectly. (a) The direct quotation gives the equivalent of a certain amount of foreign currency (normally in units of 100 or 1) in domestic currency. (b) In an indirect price quotation (less common) the domestic currency is valued in units of foreign currency.</p>
<b>radio frequency identification (RFID) tag</b>	<p>(logistics) A small integrated circuit (microprocessor) connected to an antenna which can respond to an interrogating radio frequency (RF) signal with simple identifying information, or with more complex information depending on the size and complexity of the integrated circuit. Unlike barcodes which assign a number (product number, sku number, etc.) to a product or package, RFID tags attach a unique electronic code to each product, carton of products, pallet or shipping container. RFID technology is at the core of sophisticated inventory management systems and is used in smart pallets and smart containers.</p> <p>See smart containers, smart pallets.</p>
<b>radioactive materials</b>	<p>(shipping) Degree of hazard will vary depending on type and quantity of material. (UN CLASS 7.) Examples are thorium 232, carbon 14 and radium 226. Hazards/precautions are: avoid touching broken or damaged radioactive items; persons handling damaged items must wear rubber or plastic gloves; damaged items will be monitored and safely packaged under the surveillance of the radiological monitor; and persons having come in direct contact with damaged or broken radioactive items must move away from the spill site (but stay in the area) to be monitored and decontaminated.</p>
<b>Rail Pre-Arrival Review System (RailPARS)</b>	<p>(Canada Customs) See Pre-Arrival Review System (PARS).</p>
<b>rail waybill</b>	<p>(shipping) Freight document that indicates goods have been received for shipment by rail. A duplicate is given to the shipper as a receipt for acceptance of the goods (also called duplicate waybill). See bill of lading.</p>
<b>RailPARS</b>	<p>(Canada Customs) See Pre-Arrival Review System.</p>

<b>rand</b>	The currency of:  South Africa, R1=100 cents.
<b>rate basis</b>	(logistics) The economic factors considered when establishing a freight transportation rate. These factors at the very least include weight, bulk, packaging, equipment depreciation, freight handling by personnel, fuel, port charges, insurance and management costs.
<b>rate basis number</b>	(logistics) The distance between two rate basis points. Used to determine tariff rates from a table. See rate basis point.
<b>rate basis point</b>	(logistics) The formally named point (such as Houston, Texas) in a geographic area (such as greater Houston Texas) that serves as the identifier on a freight rate table for all departures or arrivals in that area. Carriers consider all points in the immediate geographic area to be the rate basis point.
<b>rate bureau</b>	(logistics) A group of carriers that have organized for the purpose of establishing joint rates, dividing joint revenues and liabilities and publishing tariffs for participating carriers.  (U.S. law) Rate bureaus were legalized under the Reed-Bullwinkle Act for the purpose of establishing joint rates. See Reed-Bullwinkle Act.
<b>rate of exchange</b>	(banking/foreign exchange) The amount of funds of one nation that can be bought, at a specific date, for a sum of currency of another country. Rates fluctuate often because of economic, political and other forces. See foreign exchange.
<b>re-engineering</b>	(management) (a) The radical change of processes on all levels within an organization. (b) The way a company performs radical changes to processes. As opposed to gradual improvements over time, re-engineering seeks to create breakthrough changes in the way a business operates. Re-engineering is often sought by senior managers as a means of dramatically reducing labor costs, increasing productivity and increasing responsiveness to customer demand.
<b>re-export</b>	(general) The export of imported goods without added value.  (U.S.) For U.S. export control purposes: the shipment of U.S. origin products from one foreign destination to another.  For U.S. statistical reporting purposes: exports of foreign-origin merchandise which have previously entered the United States for consumption or into Customs bonded warehouses for U.S. Foreign Trade Zones.
<b>re-insurance</b>	(insurance) The insurance of insurance companies by other insurance companies for excessive losses. For example, an insurance company might obtain insurance coverage for losses exceeding US\$50 million in a single catastrophe in order to limit its maximum liability. In essence, an insurance policy with a US\$50 million deductible. Furthermore, reinsurance coverage is often spread out among a group of insurance companies so as to further distribute potential liabilities for losses. See retrocession.
<b>re-invoicing</b>	The procedure whereby an intermediary purchases goods from a vendor for sale to a third-party client, receives an invoice from the first vendor and then writes a new invoice at a higher price which is presented to the third-party client.

<b>reach stacker</b>	A very high-capacity, forklift truck-type vehicle designed to lift, move and stack ocean freight containers in ocean, truck and rail container terminals. Reach stackers lift from the top of the container, whereas forklift trucks lift from the bottom of the container. Modern reach stackers can stack containers four high and reach back to a second row.
<b>real rights</b>	(law) Rights in real estate or in items attached to real estate.
<b>real, Brazilian</b>	The currency of Brazil. R\$1=100 centavos.
<b>realignment</b>	(foreign exchange) Simultaneous and mutually coordinated re- and devaluation of the currencies of several countries. The concept was first used in 1971 for the exchange rate corrections made in a number of countries within the framework of the Smithsonian Agreement. Since then, it has mainly been used to describe the exchange rate corrections within the European Monetary System.
<b>reasonable care</b>	(law) (a) The degree of care that a person of ordinary prudence and intelligence would exercise in the same or similar circumstances. In certain situations and jurisdictions, failure to exercise reasonable care is considered legal negligence. (b) A standard for determining legal duty.  (U.S. Customs) A key component of the U.S. Customs and Border Protection (CBP) Informed Compliance program that states that the importer of goods to the U.S. is expected to exercise reasonable care in his or her importing operations.
<b>reasonable person standard</b>	(law) A legal test that is used to determine whether a person is liable for damages. It is based on a comparison of the person's conduct with the actions or conduct expected of a reasonable person of the same characteristics in similar circumstances.
<b>receipt</b>	(law) Any written acknowledgment of value received.
<b>receipt point</b>	(logistics) The place where freight or cargo enters into the care and custody of a carrier for either storage or shipment.
<b>received for shipment bill of lading</b>	(shipping) A bill of lading which confirms the receipt of goods by the carrier, but not their actual loading on board. See bill of lading.  (banking/letters of credit) A received for shipment bill of lading can be accepted under letters of credit only if this is expressly permitted in the letter of credit, or if the credit stipulates a document covering multimodal transport. Otherwise, "received for shipment" bills of lading must show an additional "On board" notation in order to be accepted as an ocean bill of lading. See bill of lading; ocean bill of lading.
<b>receiving papers</b>	(shipping) Paperwork that accompanies a shipment when it is brought to the dock. Usual information listed is name and address of shipper, number of pieces, commodity, weight, consignee, booking number and any special requirements, such as label cargo or temperature control.
<b>reciprocal defense procurement memoranda of understanding</b>	(NATO/USA) Reciprocal memoranda of understanding (MOU) are broad bilateral umbrella MOUs that seek to reduce trade barriers on defense procurement. They usually call for the waiver of "buy national" restrictions, customs and duties to allow the contractors of the signatories to participate, on a competitive basis, in the defense procurement of the other country. These agreements were designed in the late 1970's to promote rationalization, standardization, and interoperability of defense equipment within NATO. At that time, the MOUs were also intended to reduce the large defense trade advantage the United States possessed over the European allies. The first agreements were signed in 1978. See memorandum of understanding.

<b>reciprocal trade agreement</b>	(trade) An international agreement between two or more countries to establish mutual trade concessions that are expected to be of equal value.
<b>reciprocity</b>	<p>(general) The mutual exchange of privileges or benefits. Also called "mutuality of benefits," "quid pro quo," and "equivalence of advantages."</p> <p>(international trade) The practice by which governments extend similar concessions to each other, as when one government lowers its tariffs or other barriers (non-tariff barriers) impeding its imports in exchange for equivalent concessions from a trading partner on barriers affecting its exports (a "balance of concessions"). Reciprocity has traditionally been a principal objective of negotiators in the World Trade Organization (WTO) "Rounds."</p> <p>In practice, this principle applies only in negotiations between developed countries. Because of the frequently wide disparity in their economic capacities and potential, the relationship between developed and developing countries is generally not one of equivalence.</p> <p>The concept of "relative reciprocity" has emerged to characterize the practice by developed countries to seek less than full reciprocity from developing countries in trade negotiations.</p>
<b>Reconciliation</b>	(U.S. Customs) An electronic process, initiated at the request of an importer, under which the elements of an entry (other than those elements related to the admissibility of the merchandise) that are undetermined at the time the importer files or transmits the documentation or information required by section 1484(a)(1)(B) of import code, or the import activity summary statement, are provided to the U.S. Customs and Border Protection (CBP) at a later time. A reconciliation is treated as an entry for purposes of liquidation, reliquidation, record keeping, and protest.
<b>reconsignment</b>	(shipping) A change in the name of the consignor or consignee; a change in the place of delivery; a change in the destination point; or relinquishment of shipment at point of origin.
<b>record</b>	(a) A document that serves as legal or commercial evidence of a transaction. (b) A collection of data elements that serve as permanent evidence of or information about past events.
<b>recourse</b>	(banking) Right of claim against the joint and several guarantors (e.g., endorsers, drawers) of a bill of exchange or cheque. See protest; bill of exchange.
<b>red clause (letter of credit)</b>	(banking) A special clause included in a documentary letter of credit which allows the seller to obtain an advance on an unsecured basis from the correspondent bank to finance the manufacture or purchase of goods to be delivered under the documentary letter of credit. Liability is assumed by the issuing bank rather than the corresponding bank. It is called red clause because red ink used to be used to draw attention to the clause. See letter of credit.
<b>redeliver</b>	(U.S. Customs) A demand by U.S. Customs and Border Protection to return previously released merchandise to Customs custody for reexamination, reexport or destruction.
<b>Reed-Bullwinkle Act</b>	(U.S. law/shipping) Legislation originally passed by the U.S. Congress in 1948 authorizing the creation of rate bureaus which would provide a sanctioned forum for domestic railroads to set agreements on rates. In the 1970 revision of the Act, Congress expressly granted railroads antitrust immunity for any collective rate-making activity accomplished in accordance with the procedures described in the Act. See rate bureau.
<b>reefer</b>	See refrigerated boxcar, refrigerated container, refrigerated trailer.
<b>reefer vessel</b>	(shipping) A vessel with refrigerated cargo holds.

<b>refrigerated boxcar (reefer)</b>	<p>(rail transportation) A fully enclosed, insulated and refrigerated railroad boxcar designed to carry perishable freight at specific temperatures. Also called a reefer (slang for refrigerated). Common commodities transported in reefer boxcars include vegetables, fruit, orange and other juices, milk, beef, and poultry. Reefers can be cooled with ice, a mechanical refrigeration system, or carbon dioxide (as dry ice).</p> <p>Some shipments of fruits and vegetables require only insulated and ventilated boxcars to remove the heat created in the ripening process. Meat reefers are equipped with specialized rails for beef and pork. Dairy and poultry products require specialized interior racks to ensure cooled air circulates.</p>
<b>refrigerated container (reefer)</b>	(shipping/logistics) An insulated ocean freight container with a self-contained refrigeration unit for the shipment of perishable cargo such as vegetables, meat, poultry, flowers, and pharmaceuticals. The term reefer is industry slang for refrigerated and can refer to an ocean container, truck trailer, boxcar, air shipment container (unit load device or ULD) or an entire vessel.
<b>refrigerated trailer (reefer)</b>	(road transportation) An insulated and refrigerated truck trailer designed to transport perishable goods. Commodities transported include vegetables, fruits, milk, juices, meats, poultry, and pharmaceuticals. Shorter trailers are typically used for local deliveries or in tandem "truck trains." The standard axle/wheel configuration is 2-axle/8-wheel. For heavier loads, 3-axle/12-wheel or 4-axle/16-wheel configurations are available. Refrigerated trailers feature rear swing or roll-up doors, one or two side doors, moveable bulkheads, lift gates, and temperature recording and monitoring systems. Single- or multi-temperature models are available with a wide choice of refrigeration units.
<b>refund</b>	<p>(shipping) An amount returned to the consignor or consignee as a result of the carrier having collected charges in excess of the originally agreed upon, or legally applicable, charges.</p> <p>(customs) Refund of import duties. See drawback.</p>
<b>regional carrier</b>	(logistics) (a) A carrier that operates regionally rather than nationally or internationally. (b) A carrier that transports passengers or cargo between small cities or between major cities and small cities or towns.
<b>reimbursing bank</b>	(banking) The bank named in a documentary credit (letter of credit) from which the paying, accepting or negotiating bank may request cover after receipt of the documents in compliance with the documentary credit. The reimbursing bank is often, but not always, the issuing bank. If the reimbursing bank is not the issuing bank, it does not have a commitment to pay unless it has confirmed the reimbursement instruction. The issuing bank is not released from its commitment to pay through the nomination of a reimbursing bank. If cover from the reimbursing bank should not arrive in time, the issuing bank is obliged to pay (also any accrued interest on arrears).
<b>rejected merchandise drawback</b>	See drawback.
<b>relative reciprocity</b>	See reciprocity.
<b>relay</b>	(shipping) A shipment that is transferred to its ultimate destination port after having been shipped to an intermediate point.
<b>release</b>	(law/insurance) Document signed by a third party claimant in which he relinquishes his claim, or acknowledges receipt of a claim payment (by or on behalf of assured), and agrees to make no further claim.
<b>Release Notification System (RNS)</b>	(Canada Customs) RNS is a Canada Border Services Agency (CBSA) import shipment program that includes four features: automatic release notification, arrival certification, status query and automatic status.

	<p>For Canadian importers authorized to use the automatic release notification feature of RNS, data confirming release of goods is electronically transmitted in the United Nations Electronic Data Interchange for Administration, Commerce and Transportation (UNEDIFACT) message format to their EDI mailbox using a third-party EDI network, also known as a value-added network (VAN), through the Customs Internet Gateway or through CADEX telecommunication lines. The RNS message can be used to update systems to schedule deliveries or initiate the preparation of accounting data, as well as to electronically notify other parties affected by the release and ensure more timely delivery of shipments.</p> <p>For importers approved to use arrival certification, two-way electronic communication can be established to notify CBSA of the arrival of commercial shipments. Importers can also verify if CBSA has processed release documents for a shipment using the status query feature or by receiving an automatic status message. For importers who choose to transmit an arrival certification message, CBSA can advise whether the goods have been released or referred for examination. For more information, go to: <a href="http://cbsa-asfc.gc.ca/eservices/eccrd/rns-stam-eng.pdf">http://cbsa-asfc.gc.ca/eservices/eccrd/rns-stam-eng.pdf</a>.</p>
<b>Release on Minimum Documentation (RMD)</b>	<p>(Canada Customs) A Canada Border Services Agency (CBSA) import shipment release program where importers and brokers can post an approved amount of security (cash or bond) with the CBSA, fast-track the release of shipments and account for and pay duty and other charges after release. RMD release times for various methods of document delivery are:</p> <p>Electronic Data Interchange (EDI) 45 minutes</p> <p>EDI Machine Release 5 minutes</p> <p>Paper 2 hours</p> <p>For more information about CBSA and RMD, go to: <a href="http://www.cbsa-asfc.gc.ca">www.cbsa-asfc.gc.ca</a>.</p>
<b>released-value rate</b>	<p>(logistics) A reduced transportation rate given on a high-value shipment based upon the shipper's agreement to accept a set maximum carrier liability in the case of loss or damage that is less than the actual or declared value.</p>
<b>relief from liability</b>	<p>(U.S. Customs) In cases where articles imported under temporary importation under bond (TIB), relief from liability under bond may be obtained in any case in which the articles are destroyed under Customs supervision, in lieu of exportation, within the original bond period. However, in the case of articles imported solely for testing or experimentation, destruction need not be under Customs supervision where articles are destroyed during the course of experiments or tests during the bond period or any lawful extension, but satisfactory proof of destruction shall be furnished to the district or port director with whom the customs entry was filed. See temporary importation under bond; drawback; in bond.</p>
<b>remittance</b>	<p>(banking) Funds forwarded from one person to another as payment for bought items or services.</p>
<b>remittance following collection</b>	<p>(shipping) In instances when the shipper has performed services incident to the transportation of goods a carrier will collect payment for these services from the receiver and remit such payment to the shipper. Carriers charge nominal fees for this service.</p>

<b>remitter</b>	(banking) In a documentary collection, an alternate name given to the seller who forwards documents to the buyer through banks. See documentary collection.
<b>remitting</b>	(banking) Paying, as in remitting a payment; also canceling, as in remitting a debt.
<b>remitting bank</b>	(banking) In a documentary collection, a bank which acts as an intermediary, forwarding the remitter's documents to, and payments from the collecting bank. See documentary collection.
<b>renminbi (RMB)</b>	(People's Republic of China) Literally "people's currency." The official currency of China, issued by the Central Bank of China. As of January 1, 1994, China's dual currency system of RMB and FEC (Foreign Exchange Certificate) was united in a step toward making the RMB more freely convertible and bringing its exchange rate closer to market value.
<b>reorder point</b>	(logistics) A predetermined inventory level at or below which a replenishment order is made. The reorder point inventory quantity must be sufficient to respond to customer demand for the time required to order and receive additional stock.
<b>reparation</b>	<p>(general) Repairing or keeping in repair.</p> <p>(ethics/law) The making of amends or giving satisfaction to a wronged party.</p> <p>(logistics) A compensation paid by a carrier to a shipper that has been overcharged.</p> <p>(U.S. law) Compensation ordered by the Interstate Commerce Commission (ICC) in situations where a carrier (specifically a railroad) has charged a shipper more than is allowable by law.</p> <p>Reparation claims are differentiated from overcharge claims in that they refer to an illegal amount being charged as opposed to a legal charge: the overcharge.</p>
<b>replevin</b>	(law) A legal action for recovering property brought by the owner or party entitled to repossess the property against a party who has wrongfully kept it. A seller that furnishes products to a sales representative on consignment, for example, may sue for replevin if the sales representative wrongfully retains products not sold at the end of the term of the consignment agreement.
<b>request for proposal (RFP)</b>	<p>A formal request by a company or organization (customer) presented to one or more potential vendors asking for a formal proposal to supply goods or services based upon specifications set forth in the request. An RFP typically includes specifications of the product or service required, quantities required, time and place of delivery, method of shipment, packaging, materials to be furnished and other technical requirements. The RFP also asks for prices and payment terms for products, services and maintenance.</p> <p>Proposals sent in response to an RFP assist the customer in making an educated purchasing decision. An RFP can be as simple as a one page letter of request to a multi-thousand page document outlining specifications in minute detail.</p>
<b>request for quotation (RFQ)</b>	A negotiating approach whereby the buyer asks for a price quotation from a potential seller/supplier for specific quantities of goods (or services) to specifications the buyer establishes in the request for quotation letter.

<b>requirement contract</b>	(law) An agreement by which a seller promises to supply all of the specified goods or services that a buyer needs over a certain time and at a fixed price, and the buyer agrees to purchase such goods or services exclusively from the seller during that time.
<b>rescind</b>	(law) To cancel a contract. A contract may, for example, give one party a right to rescind if the other party fails to perform within a reasonable time.
<b>rescission</b>	See rescind.
<b>reserved freight space</b>	(shipping) A service by some airlines enabling shippers to reserve freight space on designated flights. See priority air freight.
<b>residual restrictions</b>	(GATT/WTO) Quantitative restrictions that have been maintained by governments before they became contracting parties to the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization (WTO) and, hence, permissible under the GATT/WTO "grandfather clause." Most of the residual restrictions still in effect are maintained by developed countries against the imports of agricultural products. See grandfather clause; General Agreement on Tariffs and Trade, World Trade Organization (WTO).
<b>respondentia</b>	(insurance-historic) A loan made to a ship's owner or master using a vessel's cargo as collateral. These loans are repaid, with interest, when and if the cargo arrives safely at its destination. This is a form of both investment and insurance. See also bottomry.
<b>restitution</b>	(law) A legal remedy for a breach of contract by which the parties are restored to their original positions before the contract was made or the breach occurred. Damages are distinguished from restitution in that damages compensate for a party who has suffered a loss. If a buyer, for example, partially pays for merchandise in advance and the seller delivers merchandise that fails to meet the buyer's specifications, the buyer may file a legal action seeking restitution, that is, a return of the advance payment to the buyer and of the goods to the seller. Alternatively, the buyer may accept the goods and may sue for damages in the amount by which the worth of the goods is less than the original contract price.
<b>restricted articles</b>	(shipping) An airline term meaning a hazardous material as defined by Title 49, Code of Federal Regulations (U.S.) and Air Transport Restricted Articles Circular 6-D. Restricted articles may be transported domestically and be classified dangerous goods when transported internationally by air. See dangerous goods; hazardous material.
<b>restricted letter of credit</b>	(banking) A letter of credit, the negotiation of which is restricted to a bank specially mentioned. See letter of credit.
<b>restrictive business practices</b>	(economics) Actions in the private sector, such as collusion among the largest suppliers, designed to restrict competition so as to keep prices relatively high.
<b>restrictive endorsement</b>	See endorsement.
<b>retaliation</b>	Action taken by a country to restrain its imports from a country that has increased a tariff or imposed other measures that adversely affect its exports.  (WTO) The World Trade Organization, in certain circumstances, permits retaliation, although this has very rarely been practiced. The value of trade affected by such retaliatory measures should in theory, approximately equal the value affected by the initial import restriction.
<b>retaliatory duty</b>	See retaliation.
<b>retrocession</b>	(insurance) The reinsurance of a reinsurance company. For example, insurance company A wishes to spread its risk by obtaining reinsurance from company B, but company B also wishes to spread its risk and obtains reinsurance

	from company C. This second level of reinsurance is called a retrocession and the second reinsurer is called the retrocessionaire. See reinsurance.
<b>retrocessionaire</b>	(insurance) A reinsurance company that writes reinsurance coverage for reinsurance companies. See reinsurance, retrocession.
<b>returned without action</b>	(U.S.) For export control purposes, the return of an export license application without action because the application is incomplete, additional information is required, or the product is eligible for a general license. See Bureau of Export Administration; general license.
<b>reevaluation</b>	(economics) The increase of the value (restoration) of a nation's currency (that had once been devalued) in terms of the currency of another nation.
<b>reverse logistics</b>	(logistics) The act of, and management systems associated with, the recovery of discarded products and packaging from the end user. Reverse logistics is based upon a heightened environmental consciousness, public policy and law. The concept is that reusable packaging, as well as outdated, damaged or defective products, can best be recycled or reused by the original manufacturer. Reverse logistics, however, is much more than recycling. It involves both product and systems designs that make recovery and reuse possible, efficient and even profitable. In reverse logistics a measure of what gets thrown away is a measure of the failure of the product design and recovery process.
<b>reverse preferences</b>	Tariff advantages once offered by developing countries to imports from certain developed countries that granted them preferences. Reverse preferences characterized trading arrangements between the European Community and some developing countries prior to the advent of the Generalized System of Preferences (GSP) and the signing of the Lome Convention.
<b>reverse swap</b>	(banking/trade) A swap which offsets the interest rate or currency exposure on an existing swap. It can be written with the original counterparty or with a new counterparty. In either case, it is typically executed to realize capital gains.
<b>Revised American Foreign Trade Definitions</b>	A set of foreign trade terms which are considered obsolete, but still sometimes used in domestic U.S. trade. The most widely accepted international trade terms are Incoterms 2010. See Incoterms 2010.
<b>revocable letter of credit</b>	(banking) A letter of credit which can be cancelled or altered by the drawee (buyer) after it has been issued by the drawee's bank. Due to the low level of security of this type of credit, they are extremely rare in practice. See letter of credit.
<b>revocation of antidumping duty order, termination of suspended investigation</b>	(U.S. Customs) An antidumping duty order may be revoked or a suspended investigation may be terminated upon application from a party to the proceeding. Ordinarily the application is considered only if there have been no sales at less than fair value for at least the two most recent years. However, the Department of Commerce may on its own initiative revoke an antidumping duty order or terminate a suspended investigation if there have not been sales at less than fair value for a period of 3 years. See dumping.
<b>revolving letter of credit</b>	(banking) A letter of credit which is automatically restored to its full amount after the completion of each documentary exchange.  The number of utilizations and the period of time within which these must take place are specified in the documentary letter of credit. The revolving letter of credit is used when a purchaser wishes to have certain partial quantities of the ordered goods delivered at specified intervals (multiple delivery contract) and when multiple documents are presented for this purpose. Such credit may be cumulative or non-cumulative. See letter of credit.

<b>RFID</b>	See radio frequency identification.
<b>rial</b>	The currency of:  Iran, 1 Rial =100 dinars;  Oman, 1 Rial =1,000 baizas;  Yemen, YRlis1=100 fils.
<b>riel</b>	The currency of Cambodia. 1=100 Rielsen.
<b>ringgit</b>	The currency of Malaysia. RM1=100 sen.
<b>risk</b>	(insurance) Specific exposure to fortuitous potential loss (reduction in the quality, quantity, or value of something) associated with an insurance policy.  (cargo insurance) Specific exposure to fortuitous potential loss, damage, or delay to a shipment. Elements that relate to marine insurance risk include: type of merchandise shipped, perishability of merchandise, value of shipment, physical size of shipment, countries of origin, transshipment and destination, method of shipment, company transporting the shipment, and packaging (including whether the shipment is palletized, crated, barreled, or containerized). Insured risk will only cover "fortuitous" events and not those e inevitable, reasonably preventable, or done purposely.
<b>risk position</b>	(banking/finance/foreign exchange) An asset or liability, which is exposed to fluctuations in value through changes in exchange rates or interest rates.
<b>risk-reward pricing</b>	A pricing model where the client agrees to share profits or `rewards' with the vendor based on the business outcome of the project itself. As a result, both client and vendor have a financial interest in the success of the relationship.
<b>riyal</b>	The currency of:  Qatar, riyal 1=100 dirhams;  Saudi Arabia, riyal 1=100 halalat.
<b>RNS</b>	(Canada) Release Notification System. A Canada Revenue Agency (CRA) electronic data interchange (EDI) system that notifies importers, brokers, warehouse operators, and carriers of customs releases.
<b>road waybill</b>	(shipping) Transport document that indicates goods have been received for shipment by road haulage carrier. See bill of lading.
<b>road-rail trailer</b>	(trucking/railroads) A semi-trailer able to function as an on-road truck trailer with pneumatic tires, or, on railroad tracks with the deployment of a steel wheel rail assembly. In some cases the road tires retract to allow the trailer chassis (container) to mount on a pair of rail bogies. Also called a bimodal trailer.
<b>RoHS Directive</b>	(hazardous substances) Acronym for Reduction of the use of Hazardous Substances. The RoHS Directive is an European Union ban on the placing on the EU market of new electrical and electronic equipment containing more than agreed levels of six hazardous materials: lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyl (PBB), and polybrominated diphenyl ether (PBDE) flame retardants. The RoHS Directive is linked with the

	European Community Waste Electrical and Electronic Equipment Directive (WEEE) which establishes targets for the collection, recycling and recovery of electrical goods and is part of an initiative to reduce the volume of large amounts of toxic e-waste. For more information, go to: <a href="http://www.rohs.eu">www.rohs.eu</a> . See also WEEE.
<b>roll-on, roll-off (Ro-Ro)</b>	<p>(shipping) A broad category of ships designed to load and discharge cargo which rolls on wheels. Broadly interpreted, this may include train ships, trailer ships, auto, truck and trailer ferries, and ships designed to carry military vehicles. A Ro-Ro vessel has a hinged ramp, typically offset at the stern, that allows motor vehicles (automobiles, trucks, trailers, farm tractors, etc.) to be driven on and off the vessel.</p> <p>A Ro-Ro differs from a ferry in that a ferry is designed to carry vehicles and their individual drivers short to medium distances, whereas a Ro-Ro is designed to carry vehicles for wholesale transport without drivers for long distances. For example, a Ro-Ro would be used by an automobile manufacturer such as Honda or Volkswagen to transport hundreds of vehicles at a time across oceans to sell in another country.</p> <p>Ro-Ro vessels may have as many as eight interior decks accessible by interior rampways. Ro-Ro vessels may also have deck cranes and/or the ability to carry standard ocean containers on deck. Also, oversize cargo can be loaded on flatbed or lowboy trailers or placed on deck.</p>
<b>rollback</b>	<p>(GATT) Refers to an agreement among Uruguay Round participants to dismantle all trade-restrictive or distorting measures that are inconsistent with the provisions of the General Agreement on Tariffs and Trade (GATT). Measures subject to rollback would be phased out or brought into conformity within an agreed timeframe, no later than by the formal completion of the negotiations. The rollback agreement is accompanied by a commitment to "standstill" on existing trade-restrictive measures. Rollback is also used as a reference to the imposition of quantitative restrictions at levels less than those occurring in the present.</p> <p>See standstill; General Agreement on Tariffs and Trade; rounds; Tokyo Round; Uruguay Round.</p>
<b>rollover</b>	<p>(finance/foreign exchange) (a) Extension of a maturing financial instrument, such as a loan or certificate of deposit. (b) Extension of a maturing foreign exchange operation through the conclusion of a swap agreement (e.g., tom/next swap). (c) Variability of an interest rate according to the appropriate, currently prevailing rates on the Euromarket (normally LIBOR) for a medium-term loan.</p>
<b>rollover credit</b>	(banking) Any line of credit that can be borrowed against up to a stated credit limit and into which repayments go for crediting. See letter of credit.
<b>rounds (of trade negotiations)</b>	See trade rounds.
<b>route</b>	(shipping) (a) A pathway between a point of origin and a point of destination for people, cargo or a means of transport. (b) To designate the course or direction a shipment shall move.
<b>routing</b>	(shipping) (a) The chosen pathway between a point of origin and a point of destination for people, cargo or a means of transport. (b) The process of determining the most efficient pathway for a shipment from the consignor to the consignee.
<b>royalty</b>	(law) Compensation for the use of a person's intellectual property based on an agreed percentage of the income arising from its use (e.g., to an author on sale of his book, to a manufacturer for use of his machinery in the factory of

	another person, to a composer or performer, etc.). A royalty is a payment, lease or similar right, while a residual payment is often made on properties that have not been patented or are not patentable.
<b>ruble</b>	The currency of Belarus. p.1=100 kopeks.  The currency of Russia. ruble 1=100 kopecks.
<b>rufiyaa</b>	The currency of Maldives. Rf1=100 laari or lari.
<b>rule of law</b>	(law) Equal protection and equal punishment under the law for all individual in a society. Equal protection includes protection of human rights as well as property and other rights. The concept is that the rule of law reigns over government, protecting citizens against arbitrary state action, and over society generally, governing relations among private interests. It ensures that all citizens are treated equally and are subject to the law rather than the whims of the powerful. The rule of law is an essential precondition for accountability and predictability in both the public and private sector.
<b>rulings on imports</b>	(U.S. Customs) An exporter, importer, or other interested party may get advance information on any matter affecting the dutiable status of merchandise by writing the District Director of Customs where the merchandise will be entered, or to the Regional Commissioner of Customs, New York Region, New York, NY 10048 USA, or to U.S. Customs and Border Protection, Office of Regulations and Rulings, Washington, DC 20229 USA. Detailed information on the procedures applicable to decisions on prospective importations is given in 19 Code of Federal Regulations part 177.  Tip: Do not depend on a small "trial" or "test" import shipments since there is no guarantee that the next shipment will receive the same tariff treatment. Small importations may slip by, particularly if they are processed under informal procedures which apply to small shipments or in circumstances warranting application of a flat rate.
<b>rupee</b>	The currency of:  India, Rs1=100 paise;  Mauritius, Rs1=100 cents;  Nepal, NRs1=100 paise;  Pakistan, Rs1=100 paisa;  Seychelles, Rs1=100 cents;  Sri Lanka, Rs1=100 cents.
<b>rupiah</b>	The currency of Indonesia. Rp1=100 sen (discontinued).
<b>SA8000</b>	Social Accountability 8000. A voluntary international workplace standard and verification system covering: child labor, forced labor, health and safety, freedom of association/collective bargaining, discrimination, discipline, working hours, compensation and management systems in factories and workplaces around the world.  Successful implementation of the standard enables international firms and organizations to present a visible social

	<p>accountability management system to the marketplace and other stakeholders.</p> <p>The system was developed by the Council on Economic Priorities Accreditation Agency and is maintained by Social Accountability International (SAI). SAI is an organization founded in 1996 that seeks to improve workplaces and communities around the work by developing and implementing socially responsible workplace standards.</p> <p>Social Accountability International; 15 West 44th Street, 6th Floor, New York, NY 10036; Tel: [1] (212) 684-1414; Web: <a href="http://www.sa-intl.org">www.sa-intl.org</a>.</p>
<b>SAD</b>	See Single Administrative Document.
<b>safeguards</b>	<p>(WTO) The World Trade Organization (WTO) permits two forms of multilateral safeguards: (1) a country's right to impose temporary import controls or other trade restrictions to prevent commercial injury to domestic industry, and (2) the corresponding right of exporters not to be deprived arbitrarily of access to markets.</p> <p>Article XIX permits a country whose domestic industries or workers are adversely affected by increased imports to withdraw or modify concessions the country had earlier granted, to impose, for a limited period, new import restrictions if the country can establish that a product is "being imported in such increased quantities as to cause or threaten serious injury to domestic producers," and to keep such restrictions in effect for such time as may be necessary to prevent or remedy such injury. See General Agreement on Tariffs and Trade, World Trade Organization.</p>
<b>safety stock</b>	(logistics) (a) (technical) The average volume of inventory on hand when a new order is received. (b) (general) Raw materials, component parts or finished goods maintained in inventory specifically in anticipation of unforeseen shortages of materials or component parts or unusual demand for finished goods. The volume of safety stock held in inventory is determined by such factors as instability in supplier markets, supplier production time, order fulfillment and delivery time from the point of origin and the potential for unusual increases in demand for finished product. See buffer stock.
<b>said to contain (s.t.c.)</b>	(shipping) Clause in transport documents which exclude liability of the carrier for the consistency of the description of the goods or the weight of the goods actually loaded, e.g., goods in containers. This provides protection to the carrier against claims by the consignee. See said to weigh, shipper's load and count.
<b>said to weigh (s.t.w.)</b>	(shipping) Clause in transport documents which exclude liability of the carrier for the consistency of the description of the goods or the weight of the goods actually loaded, e.g., goods in containers. This provides protection to the carrier against claims by the consignee. See said to contain, shipper's load and count.
<b>sales agreement</b>	(law) A written document by which a seller agrees to convey property to a buyer for a stipulated price under specified conditions. See contract.
<b>sales representative</b>	An agent who distributes, represents, services, or sells goods on behalf of sellers. See agent; agency.
<b>sales tax</b>	<p>A tax placed by a state or municipality on items at the time of their purchase. It may be a tax on the sale of an item every time it changes hands (value added tax, VAT), or only upon its transfer of ownership at one specific time.</p> <p>In the case of a VAT, the sales of manufacturers are taxed when the items are considered to be completed goods; the sales of wholesalers are taxed when their goods are sold to retailers; and retail sales are taxed when the goods are purchased by consumers. See value added tax.</p>

<b>salvage</b>	(insurance) (a) Compensation paid for the rescue of a ship, its cargo or passengers from a loss at sea, (b) The act of saving a ship or its cargo from possible loss, (c) Property saved from possible loss.
<b>salvage award</b>	(shipping/insurance) A sum paid to salvors for saving property damaged or endangered in a maritime adventure.
<b>salvage loss</b>	(insurance) A method of insurance adjustment where the underwriter pays the difference between the amount of insurance and the net proceeds of the sale of damaged goods. It is sometimes incorrectly assumed that when damaged goods are sold to determine the extent of loss, the underwriter is obligated to pay the difference between the amount of insurance and the net proceeds of the sale. The salvage loss method is regularly used only if goods are justifiably sold short of destination.
<b>salvage value</b>	(shipping/insurance) The sum realized by selling salvaged property. The term is also used to describe that portion of the property itself which has been salvaged from a loss.
<b>salvor</b>	(shipping/insurance) A third party who saves or assists in the saving of a vessel or property from loss at sea.
<b>samurai bond</b>	(banking/finance) A yen-denominated bond issued in Japan by a non-Japanese company and subject to Japanese financial regulations. Samurai bonds give issuers the ability to access Japanese investment capital.
<b>sanction</b>	(economics) An embargo imposed against an individual country by the United Nations--or a group of nations--in an effort to influence its conduct or its policies. See embargo.
<b>sanitary certificate</b>	A document attesting to the absence of disease or pests in a shipment of animal or plant products, especially foodstuffs. See phytosanitary inspection certificate.
<b>Saudi Arabian Standards Organization</b>	(Saudi Arabia) SASO was established in April 1972 as the sole Saudi Arabian government organization to promulgate standards and measurements in the kingdom. Primarily, SASO promulgates standards for electrical equipment and some food products. Some of these standards have been adopted by the Gulf Cooperation Council. Web: <a href="http://www.saso.org.sa">www.saso.org.sa</a> . See International Standards Organization.
<b>scanner</b>	See barcode scanner.
<b>scope of services</b>	A systematic listing of services to be provided in an services agreement. This list is developed by the client and includes a description of each service to be performed in enough detail to enable a service provider to fully understand client requirements. The structure of the scope of services statement is dependent upon the types of services to be performed. Similar to 'job specifications' or 'product specifications,' when a product is involved. The scope of services statement will include the type of service to be performed, the manner in which it is to be performed, and required standards of performance.
<b>SDR</b>	See special drawing rights.
<b>sea waybill</b>	(banking) A transport document which is not a document of title/negotiable document. The sea waybill indicates the "on board" loading of the goods and can be used in cases where no ocean bill of lading, i.e. no document of title is required. For receipt of the goods, presentation of the sea waybill by the consignee named therein is not required, which can speed up processing at the port of destination. See bill of lading; ocean bill of lading.
<b>seal</b>	(law) A mark or sign that is used to witness and authenticate the signing of an instrument, contract, or other document. A corporation, for example, uses a seal to authenticate its contracts and records of its corporate acts.  (shipping) A small metal strip and lead fastener used for fastening or locking the doors of a container, which is usually numbered and which provides proof that a container has not been opened since the seal was applied.

	(U.S. Customs) Effective October 15, 2008, U.S. Customs and Border Protection (CBP) will require that maritime containers in transit to the U.S. by vessel be sealed with a seal meeting the ISO/PAS 17712 Standard (International Organization for Standardization/Publicly Available Specification 17712). In addition, container seal numbers must be transmitted to CBP via the Vessel Automated Manifest System (AMS) a minimum of 24 hours before cargo is laden aboard a vessel at a foreign port.
<b>seal number</b>	(logistics) A number located on the plastic or metal tamper seal or tag affixed to a loaded container or truck. Seals and seal numbers are not reused. A new seal and therefore a new seal number are used each time a container or truck is sealed. See container.
<b>seaworthy</b>	(shipping) The fitness, safety, or sound condition of a vessel enabling it to successfully meet all the varying conditions of sea, wind, and weather normally to be expected on a voyage.
<b>Second Mate (2nd Mate)</b>	(shipping) The third in command officer of a ship in the merchant marine. Responsibilities include: being in charge of bridge watch, plotting the ship's course, following the plot, tracking the ship's movement, using radar, radios, maps, safety and fire-fighting equipment, and maintaining small boats. The 2nd mate is often the navigator of a ship. Second mate is the fourth level job of six towards becoming a captain (ordinary seaman, able-bodied seaman, third mate, second mate, chief mate, captain).
<b>second party logistics</b>	See 2PL.
<b>Section 201</b>	<p>(U.S.) Section 201, the "escape clause" provision of the Trade Act of 1974, permits temporary import relief, not to exceed a maximum of eight years, to a domestic industry which is seriously injured, or threatened with serious injury, due to increased imports. Import relief, granted at the president's discretion, generally takes the form of increased tariffs or quantitative restrictions. To be eligible for section 201 relief, the International Trade Commission (ITC) must determine that: (1) the industry has been seriously injured or threatened to be injured and (2) imports have been a substantial cause (not less than any other cause) of that injury. Industries need not prove that an unfair trade practice exists, as is necessary under the antidumping and countervailing duty laws. However, under section 201, a greater degree of injury--"serious" injury-- must be found to exist, and imports must be a "substantial" cause (defined as not less than any other cause) of that injury.</p> <p>If the ITC finding is affirmative, the president's remedy may be a tariff increase, quantitative restrictions, or orderly marketing agreements. At the conclusion of any relief action, the Commission must report on the effectiveness of the relief action in facilitating the positive adjustment of the domestic industry to import competition. If the decision is made not to grant relief, the president must provide an explanation to the Congress. See escape clause; unfair trade advantage; orderly marketing agreements; adjustment assistance; International Trade Administration. See quantitative restrictions; International Trade Commission.</p>
<b>Section 232</b>	<p>(U.S.) Under Section 232 of the Trade Expansion Act of 1962, as amended, the U.S. Department of Commerce determines whether articles are being imported into the U.S. in quantities or circumstances that threaten national security. Based on the investigation report, the president can adjust imports of the article(s) in question.</p> <p>The U.S. Department of Commerce must report on the effects these imports have on national security and make recommendations for action or inaction within 270 days after starting an investigation. Within 90 days of the report, the president decides whether to take action to adjust imports on the basis of national security. The president must notify Congress of his decision within 30 days.</p>

<b>Section 301</b>	<p>(U.S.) Under Section 301 of the Trade Act of 1974, firms can complain about a foreign country's trade policies or practices that are harmful to U.S. commerce. The section empowers the United States Trade Representative (USTR) to investigate the allegations and to negotiate the removal of any trade barriers. The section requires that the World Trade Organization (WTO) dispute resolution process be invoked where applicable and, if negotiations fail, to retaliate within 180 days from the date that discovery of a trade agreement violation took place.</p> <p>This provision enables the president to withdraw concessions or restrict imports from countries that discriminate against U.S. exports, subsidize their own exports to the United States, or engage in other unjustifiable or unreasonable practices that burden or discriminate against U.S. trade. See Super 301; Special 301.</p>
<b>Section 337</b>	<p>(U.S.) Section 337 of the Tariff Act of 1930 requires investigations of unfair practices in import trade. Under this authority, the International Trade Commission (ITA) applies U.S. statutory and common law of unfair competition to the importation of products into the United States and their sale. Section 337 prohibits unfair competition and unfair importing practices and sales of products in the U.S., when these threaten to: (1) destroy or substantially injure a domestic industry, (2) prevent the establishment of such an industry, or (3) restrain or monopolize U.S. trade and commerce. Section 337 also prohibits infringement of U.S. patents, copyrights or registered trademarks.</p>
<b>secured</b>	(law/banking) Guaranteed as to payment by the pledge of something valuable.
<b>security</b>	<p>(general) Property pledged as collateral.</p> <p>(investments) Stocks and bonds placed by a debtor with a creditor, with authority to sell for the creditor's account if the debt is not paid.</p> <p>(law) (a) Any evidence of debt or right to a property. (b) An individual who agrees to make good the failure of another to pay.</p>
<b>seizure</b>	(law) The act of taking possession of property.
<b>self-insurance</b>	(insurance) A system whereby a firm or individual, by setting aside an amount of monies, provides for the occurrence of losses that would ordinarily be covered under an insurance program. The monies that would normally be used for premium payments are added to this special fund for payment of losses incurred.
<b>seller's interest policy</b>	(insurance) See contingency policy.
<b>seller's market</b>	Exists when goods cannot easily be secured and when the economic forces of business tend to cause goods to be priced at the vendor's estimate of value.
<b>selling rate</b>	(banking/foreign exchange) Rate at which a bank is willing to sell foreign exchange or to lend money.
<b>selling, general and administrative (expenses)</b>	<p>(U.S. Customs) In establishing valuation of an import shipment, the sum of:</p> <ol style="list-style-type: none"> <li>1) General and administrative expenses (such as: salaries of non-sales personnel, rent, heat, and light);</li> <li>2) Direct selling expenses (that is, expenses that can be directly tied to the sale of a specific unit, such as: credit, warranty, and advertising expenses); and</li> <li>3) Indirect selling expenses (that is, expenses which cannot be directly tied to the sale of a specific unit but which are</li> </ol>

	proportionally allocated to all units sold during a certain period, such as: telephone, interest, and postal charges). See valuation.
<b>semi</b>	See semitrailer.
<b>Semiconductor Trade Arrangement</b>	The U.S.-Japan Semiconductor Trade Arrangement is a bilateral agreement which came into effect on August 1, 1991, replacing the prior 1986 Semiconductor Trade Arrangement. The new Arrangement contains provisions to: (1) increase foreign access to the Japanese semiconductor market; and (2) deter dumping of semiconductors by Japanese suppliers into the U.S. market, as well as in third country markets. In evaluating market access improvement, both governments agreed to pay particular attention to market share. The expectation of a 20 percent foreign market share by the end of 1992 is included in the Arrangement. The Arrangement explicitly states, however, that the 20 percent figure is not a guarantee, a ceiling, or a floor on the foreign market share.
<b>semitrailer</b>	(logistics/trucking) A non-motorized cargo vehicle designed to be supported at one end by wheels and the other by a motorized vehicle such as a tractor. See trailer, tractor.
<b>senior commercial officer (SCO)</b>	(U.S. diplomacy) The SCO is the senior U.S. and Foreign Commercial Officer at an embassy and reports in-country to the Ambassador. At major posts, this position carries the title of Commercial Counselor; in key posts, Minister Counselor. Usually reporting to the SCO are a Commercial Attaché and Commercial Officers. The latter are sometimes assigned to subordinate posts throughout the country.
<b>separable cost</b>	(logistics) A cost that can be assigned to a specific portion of a business activity or operation.
<b>sequestration</b>	See attachment.
<b>Serial Shipping Container Code (SSCC)</b>	(logistics) An international and multi-industry standard numbering and bar coding system used in supply-chain management for the identification, tracking and tracing of cartons and containers. SSCC numbers contain 18 digits and identify: supplier, transporter, distributor, transporter, customer. The SSCC barcode uses UCC/EAN-128 symbology. For information, contact: GS1 (the former Uniform Code Council) at: <a href="http://www.gs1.org">www.gs1.org</a> .
<b>service a loan</b>	(banking) To pay interest due on a loan.
<b>service commitments</b>	(shipping) Pickup and/or delivery commitments agreed to by carrier and shipper.
<b>service level agreement (SLA)</b>	A contract or contract addendum between a client and a service provider that specifies, in measurable terms, the type, quantity, and quality of the services the vendor will provide. An SLA can include provisions about the quantity or volume of services to be provided, but more often references the quality of services such as response time, availability, and customer satisfaction.
<b>service mark</b>	(law) A mark used in sales or advertising to identify a service offered by an individual or legal entity and to distinguish that service from services offered by others. A service mark is distinguished from a trademark in that the former identifies services, while the later identifies goods. Protection for service marks varies from country to country, and may not be available in some jurisdictions. Service marks are often, but not necessarily, regulated by the same laws that govern trademarks. A country that is a member the Paris Convention for the Protection of Industrial Property may recognize service marks held in other jurisdictions. See trademark; patent; Paris Convention; World Intellectual Property Organization.
<b>service provider (vendor)</b>	An individual or business organization that provides outsourcing services; a vendor of services (usually a business). The terms contractor, provider, vendor, and partner are used interchangeably, but each may carry special significance depending upon the user.

<b>services</b>	(economics) Economic activities--such as transportation, banking, insurance, tourism, space launching telecommunications, advertising, entertainment, data processing, consulting and the licensing of intellectual property--that are usually of an intangible character and often consumed as they are produced. Service industries have become increasingly important since the 1920s. Services now account for more than two-thirds of the economic activity of the United States and about 25 percent of world trade.
<b>servitude</b>	(law) A charge against or burden on property that benefits a person with an interest in another property. An owner of property may grant another person, for example, a right to travel over that property to reach adjoining land, in which case the owner has created a servitude against the property. See easement.
<b>settlement date</b>	(banking) The date on which payment for a transaction must be made.
<b>severability clause</b>	(law) A contract term that provides that each portion of the agreement is independent of the others, allowing a court to invalidate a clause of the contract without voiding the entire agreement.
<b>SGS Group</b>	The world's largest inspection, verification, testing and certification company. Recognized as a global benchmark for these services, SGS employs over 50,000 people and operates a network of more than 1,000 offices and laboratories around the world. SGS provides services in the areas of agriculture, minerals, oil, gas, chemicals, life sciences, consumer products testing, systems certifications, industrial services, environmental services, automotive services, and government and institutional services. For information, go to <a href="http://www.sgs.com">www.sgs.com</a> .
<b>shared foreign sales corporation</b>	(U.S.) A foreign sales corporation consisting of more than one and less than 25 unrelated exporters. See foreign sales corporation.
<b>Sharia (Shari'a, Shariah)</b>	(law) Islamic canon law. (Literally: "the right path." Pronounced shuh REE uh.) The traditional code of Islamic civil and criminal law based on the Quran (Koran), the sacred book of Islam, which Muslims consider the actual word of God (Allah). Sharia is also based on the teachings of the Prophet Muhammad and interpretations of the Prophet's teachings by certain Muslim legal scholars.
<b>shekel</b>	The currency of Israel. shekel 1=100 new agorot.
<b>shelter service provider</b>	Firms that operate in Mexico under the Maquiladora Program that provide outsourced manufacturing support for manufacturers in non-core, but critical, areas such as human resources, logistics management, procurement, accounting, payroll management and others. The providing of these services allows companies to focus on core manufacturing functions.
<b>shilling</b>	The currency of:  Kenya, KSh1=100 cents;  Somalia, 1 SoSh  Tanzania, 1TSh1=100 cents;  Uganda, USh1=100 cents.  The former currency of Austria, The new currency of Austria is the European Union Euro. i1 = 100 cents.

<b>ship agent</b>	(shipping) A port-based representative for a shipping line or tramp operation who handles ship arrival and departure formalities, port clearance, payment of fees, loading and unloading and local provisioning.
<b>ship broker</b>	(logistics) An individual or company that acts as an intermediary between a shipper and a ship owner or operator, especially tramp ship owners and operators.
<b>ship chandlery</b>	(shipping) A business that sells ships' provisions, supplies and equipment.  (general) A dealer and/or maker of wax, tallow, candles and soap.  Historic note: In the days of sailing ships, a ship's crew would collect the residual grease (called slush) from empty barrels of fried salt pork and sell it to chandlers once in port. The money so earned was called the slush fund and was used to purchase small necessities such as razors, soap, mirrors and tobacco. Chandlers eventually came to be suppliers of ships' provisions.
<b>ship's manifest</b>	(shipping) A list, signed by the captain of a ship, of the individual shipments constituting the ship's cargo. See manifest.
<b>ship's papers</b>	(shipping) The documents a ship must carry to meet the safety, health, immigration, commercial and customs requirements of a port of call or of international law.
<b>ship's stores</b>	(shipping) The food, medical supplies, spare parts and other provisions carried for the day-to-day running of a vessel.
<b>shipment</b>	(shipping) Except as otherwise provided, cargo tendered by one shipper, on one bill of lading, from one point of departure, for one consignee, to one destination, at one time, via a single port of discharge.
<b>shipment record</b>	(shipping) A repository of information for each shipment that reflects all activity throughout each step of the shipment life cycle.
<b>shipped on deck</b>	(shipping) Annotation in a bill of lading stating that the goods have been shipped on the deck of a ship. See bill of lading.
<b>shipper</b>	(shipping) The company or person who ships cargo to the consignee.
<b>shipper's export declaration (SED)</b>	(documentation) A form required by the export authorities of many countries to document an export of goods.  (U.S. documentation) Form required for all U.S. export shipments by mail valued at more than \$500 and for non-mail shipments with declared value greater than \$2,500. Also required for shipments requiring a U.S. Department of Commerce validated export license or U.S. Department of State license regardless of value of goods. Prepared by a shipper indicating the value, weight, destination, and other basic information about the shipment. The shipper's export declaration is used to control exports and compile trade statistics. As of September 30, 2008, the U.S. SED must be filed electronically using the Automated Export System (AES). For information go to: <a href="http://www.aesdirect.gov">www.aesdirect.gov</a> for information about how to file an SED electronically.
<b>shipper's letter of instruction</b>	(shipping) A form used by a shipper to authorize a carrier to issue a bill of lading or an air waybill on the shipper's behalf. The form contains all details of shipment and authorizes the carrier to sign the bill of lading in the name of the shipper. See bill of lading.
<b>shipper's load and count</b>	(shipping) A clause in, or notation on, a transport document noting that the contents of a container were loaded and counted by the shipper and not checked or verified by the carrier. Such a notation provides protection to the carrier against claims by the consignee. See said to weigh, said to contain.

<b>shipper's marks and numbers</b>	(shipping/logistics) (see illustration below) A series of marks and numbers placed on cartons and crates to identify the shipper, the destination port, and other information. Shipper's marks and numbers are separated into Front Marks and Side Marks.  Front Marks are placed on the wider side of the package or crate and consist of a "lead mark" (shipping company mark with abbreviated name of shipper), port of destination, country of origin, and package number of total number of packages. Side Marks are placed on the smaller side of the package and consist of such information as item number, abbreviation of contents, quantity, net weight, gross weight, and package measurements. Note that the shipper's Lead Mark is not a company logo and is usually an abbreviation of the company name in a triangle, rectangle, or square.
<b>shipping instructions</b>	(shipping) Information supplied by the shipper/exporter providing detailed instructions pertaining to the shipment (e.g., shipper, consignee, bill-to party, commodity, pieces, weight, cube, etc.).
<b>shipping order</b>	(shipping) Instructions of shipper to carrier for forwarding of goods; usually the triplicate copy of the bill of lading.
<b>shipping point</b>	(logistics) The physical place where cargo begins moving aboard a vessel toward its destination.
<b>shipping weight</b>	(shipping) The total weight usually expressed in kilograms of shipments, including the weight of moisture content, wrappings, crates, boxes, and containers (other than cargo vans and similar substantial outer containers).
<b>shogun bond</b>	(finance) Non-resident bond issues denominated in foreign currencies issued in Japan by foreign entities. Also known as a "geisha bond." For example, if a U.S. company were to issue a dollar-denominated bond in Japan, it would be considered a shogun bond. The bond's name is derived from the word shogun, which refers to the traditional military leader of the Japanese army.
<b>shore clause</b>	(Insurance) Insurance coverage that extends to certain hazards while a shipment is on land. Includes risks of collision, derailment, overturn, sprinkler leakage, windstorm, earthquake, flood, and collapse of docks or wharves.
<b>short form bill of lading</b>	(shipping) A bill of lading that does not have the detailed terms and conditions of carriage printed on (usually) the reverse of the form. A deviation from a regular (long form) bill of lading since it only refers to the contract terms but does not include them. See bill of lading, blank back, long form.
<b>short of exchange</b>	(banking/foreign exchange) The position of a foreign exchange trader who has sold more foreign bills than the quantity of bills he or she has in possession to cover sales.
<b>short supply</b>	(U.S.) Commodities in short supply may be subject to export controls to protect the domestic economy from the excessive drain of scarce materials and to reduce the serious inflationary impact of satisfying foreign demand. Two commodities which the U.S. controls for short supply purposes are crude oil and unprocessed western red cedar.
<b>short ton</b>	(measure) A unit of mass or weight measurement equal to 2,000 pounds. A long ton is 2,240 pounds.
<b>short weight</b>	(shipping) Notation of a shipment's weight as less than that noted on the original bill of lading, indicating loss during shipment.
<b>shortage</b>	(shipping) A deficiency in quantity shipped.
<b>sight draft</b>	(banking) A financial instrument payable upon presentation or demand. A bill of exchange may be made payable, for example, at sight or after sight, which means it is payable upon presentation or demand, or within a particular period after demand is made. See bill of exchange.

<b>signature service</b>	(shipping) A service designed to provide continuous responsibility for the custody of shipments in transit, so named because a signature is required from each person handling the shipment at each stage of its transit from origin to destination.
<b>silent confirmation</b>	(banking/letters of credit) In addition to the commitment of the issuing bank of a letter of credit, the advising bank can, by silent confirmation, enter into its own, independent commitment to pay or accept. In contrast to the confirmed letter of credit, in this case there is no confirmation instruction given by the issuing bank. Silent confirmations are thus purely agreements between the beneficiary and the "silently confirming" bank. In order to enforce its claim, the "silently confirming" bank requires the assignment of all the rights of the beneficiary under the letter of credit. See letter of credit.
<b>similar merchandise</b>	<p>(U.S. Customs) For purposes of establishing the customs value of imported merchandise, similar merchandise is merchandise that is:</p> <ol style="list-style-type: none"> <li>1) Produced in the same country and by the same person as the merchandise being appraised,</li> <li>2) Like merchandise being appraised in characteristics and component materials,</li> <li>3) Commercially interchangeable with the merchandise being appraised.</li> </ol> <p>If merchandise meeting all these criteria cannot be found, then similar merchandise is merchandise having the same country of production, like characteristics and component materials, and commercially interchangeability, but produced by a different person.</p> <p>In determining whether goods are similar, some of the factors to be considered are the quality of the goods, their reputation, and existence of a trademark.</p> <p>Exclusion: Similar merchandise does not include merchandise that incorporates or reflects engineering, development, artwork, design work, and plans and sketches provided free or at reduced cost by the buyer and undertaken in the United States.</p> <p>See valuation; transaction value; computed value; identical merchandise.</p>
<b>simple average</b>	(insurance) Particular average. See particular average.
<b>Singapore Issues</b>	(trade negotiations) Refers to four issues and four working groups established during The World Trade Organization (WTO) Ministerial Conference in 1996 in Singapore. The issues and related working groups are: 1) Transparency in government procurement, 2) Trade facilitation (customs issues), 3) Trade and investment, and 4) Trade and competition. See Doha Round.
<b>Single Administrative Document (SAD)</b>	<p>(EU Customs) A multi-purpose form intended to reduce the number of documents required for the transportation of goods between EC countries. Under the Single European Market, the SAD is not required for shipments within the EC, but is used for Community Transit status, in the following circumstances:</p> <p>T1: for non-EC goods which have not been entered into free circulation in the EC</p>

	<p>T2: for free-circulation goods to be moved by surface (road, rail, ship or any combination) between EC countries via an EFTA (European Free Trade Area) country, e.g. Switzerland</p> <p>T5: goods controlled under the EC's Common Agricultural Policy.</p>
<b>Single European Act</b>	The SEA, which entered into force in July 1987, provided the legal and procedural support for achievement of the single European Market by 1992. The SEA revised the European Economic Community (EEC) Treaty and, where not already provided for in the Treaty, majority decisions were introduced for numerous votes facing the Council of Ministers, particularly those affecting establishment of the single European Market and the European financial common market. The role of the European Parliament was strengthened; decisions on fiscal matters remained subject to unanimity.
<b>Single Internal Market Information Service</b>	SIMIS, run by the European Community Affairs Office under the United States International Trade Administration (ITA), is a clearinghouse for information on European Community activities. Contact: Office of European Community Affairs, United States Department of Commerce; 14th and Constitution Ave. NW, Room 3036; Washington, DC 20230 USA; Tel: [1] (202) 482-5276; Fax: [1] (202) 482-2155.
<b>sinking</b>	(shipping) A vessel losing buoyancy and becoming submerged. It is not necessary that the vessel disappear, as a vessel may sink in shallow waters. If the vessel is submerged to the depth the water permits, she is a sunken vessel.
<b>SITC</b>	See standard international trade classification.
<b>skeletal carrier</b>	See container (skeletal carrier).
<b>skid</b>	(logistics/transportation) A portable platform supported by two parallel runners that elevate the platform so that the prongs of a forklift truck can fit underneath. Skids made be made from wood, plastic, fiberglass, steel, or aluminum. Skids are used to store, handle and move materials, and goods in factories, warehouses, containers and vessels. A skid is different from a pallet in that it is generally higher and does not have additional cross member support beneath the runners. See pallet, forklift.
<b>sku (number)</b>	<p>(logistics/inventory management) Acronym for stock keeping unit. An alpha, numeric or alpha/numeric designation for the smallest unit quantity of an item (finished product, component part or raw material) that can be accepted into or sent out of inventory from a business or organization. In simple terms: an inventory or stock number, but with some caveats.</p> <p>An sku (pronounced skew) is not simply a model number. For example, a retail hardware store sells light bulbs by the unit, so it is likely to have an sku number designation for a single 100-watt standard light bulb. The wholesaler, however, may sell the same item in cartons of 24 units, so is likely to have an sku designation for a carton of 24 100-watt standard light bulbs. The manufacturer, however, may only sell full pallets of 32 cartons of 24 each 100-watt standard light bulbs and is likely to have an sku designation for the same.</p> <p>For ease of use, some wholesalers and retailers may incorporate a manufacturer code, manufacturer's model number, color, size and other designations into their own internal sku number system.</p>
<b>sling</b>	(shipping) A contrivance into which freight is placed to be hoisted into or out of a ship.
<b>slip</b>	(shipping) A vessel's berth between two piers.

<b>slip seat</b>	(logistics) The replacement of a driver who has, by regulation, reached maximum driving time, by a fresh driver.
<b>slip sheet</b>	(logistics) A durable sheet of plastic or cardboard upon which goods are stacked and used as an alternative to a traditional pallet.
<b>slurry</b>	(logistics/transportation) The substance that results when dry commodities (such as coal) are liquefied by the addition of a fluid for the purpose of transmission through a pipeline.
<b>Small Business Administration (SBA)</b>	(U.S. government) An independent government organization which acts as an advocate to small business, providing aid, counseling, assistance and protection. The SBA's Office of International Trade plans, develops and implements programs to encourage small business participation in international trade. The Office also coordinates the Administrations' International Trade Program with the Departments of Commerce and Agriculture, the Export-Import Bank of the United States, the Agency for International Development, and with other Federal and State agencies with private organizations concerned with international trade. Contact: Small Business Administration, 409 Third Street, SW, Washington, DC 20416 USA; Web: <a href="http://www.sba.gov">www.sba.gov</a> . The SBA provides an answer desk at: Tel: [1] (800) 827-5722; E-mail: <a href="mailto:answerdesk@sba.gov">answerdesk@sba.gov</a> .
<b>small package service</b>	(shipping) A specialized service to guarantee the delivery of small parcels within specified express time limits, e.g., same day or next day. This traffic is subject to size and weight limitations. Air carriers that also transport passengers often accept these packages at airport ticket counters with delivery at destination baggage claim area. Many carriers provide door-to-door service on a 24-hour basis.
<b>smart container</b>	(logistics) An ocean or air (ULD) shipping container equipped with devices capable of monitoring and transmitting the following to a central location: worldwide location; interior and exterior temperatures; exposure to light, radiation and chemicals; and inventory data (through Radio Frequency Identification (RFID) tags and transponders on cartons).  U.S. Customs and Border Protection is considering the use of smart containers as a requirement for participation in the "Customs-Trade Partnership Against Terrorism" (C-TPAT) initiative. See radio frequency identification.
<b>smart pallet</b>	(logistics) A shipping pallet equipped with an electronic device (Radio Frequency Identification (RFID) tag) that allows it to be tracked within a facility or while in transit. See radio frequency identification.
<b>smart seal</b>	(logistics) A combination cargo container seal and electronic device that continuously relays the container's physical location and alerts monitoring personnel if the cargo seal has been broken (implying tampering with the container). See radio frequency identification.
<b>Smoot Hawley Tariff Act of 1930</b>	(U.S.) The Tariff Act of 1930, also commonly known as the Smoot Hawley Tariff, was protectionist legislation that raised tariff rates on most articles imported by the United States, triggering comparable tariff increases by U.S. trading partners.
<b>smuggling</b>	(customs) Conveying goods or persons, without permission, across the borders of a country or other political entities (e.g., cigarette smuggling across state lines).
<b>snake system</b>	(banking/foreign exchange-obsolete) The former agreement between Belgium, The Netherlands, Luxembourg, Denmark, Sweden, Norway, and West Germany, linking the currencies of these countries together in an exchange system. The signatories agreed to limit fluctuations in exchange rates among their currencies to 2.25 percent above or below set median rates. The snake was designed to be the first stage in forming a uniform Common Market currency which was finally achieved January 1, 2002. See Euro.

<b>social accountability</b>	A broad range of actions, besides voting, that citizens, consumers, stockholders and organizations can use to hold bureaucrats, governments and businesses accountable regarding social, political, economic and ethical issues. For example, on an individual level, a person can choose not to knowingly purchase goods produced in prison factories. On an organizational level, a business can choose not to purchase goods produced by child labor. The topic has gained a great deal of attention with a consumer backlash against internationally well-known firms that were employing workers in developing nations at very low wages and in sub-standard working conditions. Social accountability factors include working environment, employment compliance, safety, diversity, discrimination and equal rights, human rights, community responsibility, environmental concerns, among others. See Social Accountability International, SA8000.
<b>Social Accountability International (SAI)</b>	Social Accountability International (SAI) is a human rights organization founded in 1996 that seeks to improve workplaces and communities around the world by developing and implementing socially responsible workplace standards. To fulfill its mission, SAI promotes "ISO-like" standards systems for social accountability. Its SA8000 (Social Accountability 8000) is a workplace standard and verification system that features certification of compliance at the facility level and support for companies seeking to implement their standards. Social Accountability International; 15 West 44th Street, 6th Floor; New York, NY 10036; Tel: [1] (212) 684-1414; Web: www.sa-intl.org.
<b>Sociedad a Responsabilidad Limitada (S.R.L.)</b>	(Latin America, Mexico, Spain) Designation for a private limited liability corporation with limited liability to shareholders.
<b>Sociedad Anónima (S.A.)</b>	(Latin America, Mexico, Spain) Designation for a joint stock company with limited personal liability to shareholders.
<b>Sociedad por Quota (S.Q.)</b>	(Portugal) Designation for a private limited liability corporation with limited liability to shareholders. See Limitada.
<b>Società a Garanzia Limitata (S.G.L.)</b>	(Switzerland) Designation for a private limited liability corporation with limited liability to shareholders.
<b>Società Cooperativa a Responsabilità (SCaRL)</b>	(Italy, Switzerland) Designation for an incorporated association with limited liability for its members, unless its articles provide otherwise.
<b>Società in Accomandita Semplice (S.A.S.)</b>	(Italy) Designation for a limited partnership in which at least one of the partners has general liability and at least one of the other partners has limited liability.
<b>Società per Azioni (S.p.A.)</b>	(Italy) Designation for a joint stock company with limited personal liability to shareholders.
<b>Société (Sté.)</b>	(France, Luxembourg, Switzerland) General designation for a corporation, partnership, or association.
<b>Société à Responsabilité Limitée (S.R.L.)</b>	(France, Luxembourg, Switzerland) Designation for a private limited liability corporation with limited liability to shareholders.
<b>Société Anonyme (S.A.)</b>	(Belgium, France, Luxembourg, Switzerland) Designation for a joint stock company with limited personal liability to shareholders.
<b>Société Cooperative (Sté. Cve.)</b>	(Belgium, Switzerland) Designation for an incorporated association with limited liability for its members, unless its articles provide otherwise.
<b>Société de Personnes à Responsabilité Limitée (S.P.R.L.)</b>	(Belgium) Designation for a private limited liability company with limited liability to shareholders.
<b>Société en Commandité par Actions (S.C.)</b>	(France, Luxembourg) Designation for a limited partnership in which the partners have limited liability.

<b>Société en Commandité Simple (S.C.S.)</b>	(France, Luxembourg) Designation for a limited partnership in which at least one of the partners has general personal liability and at least one of the other partners has limited liability.
<b>Société en Nom Collectif (S.N.C.)</b>	(France, Luxembourg) Designation for a general partnership, in which all partners have joint and several liability.
<b>soft clause</b>	<p>(banking) Clauses in a documentary letter of credit which make it impossible for the beneficiary (seller) to meet the conditions of the documentary letter of credit on his own and independently of the purchaser.</p> <p>Example: "The goods must be accepted prior to shipment by a representative of the purchaser." The name of the representative is made known via an amendment in the documentary letter of credit at a later stage when it is either too late or very inconvenient to follow through on the requirement. It is not recommended for exporters to agree to this type of request.</p>
<b>soft currency</b>	(banking/foreign exchange) The funds of a country that are controlled by exchange procedures, thereby having limited convertibility into gold and other currencies.
<b>soft loan</b>	<p>(general) A loan made with easy or generous terms such as low or no interest and long payback.</p> <p>(banking) This term refers to the no-interest loans granted to developing countries by the International Development Association. Such a "soft loan" carries no interest (although there is a small annual service charge), is payable in 50 years, and has an amortization rate of 1% repayable annually for the 10 years following an initial 10-year grace period, followed by 3% repayable annually for the remaining 30 years.</p>
<b>sogo bank</b>	(banking/finance) Regional finance institutions in Japan, dealing chiefly with smaller enterprises.
<b>sol</b>	The currency of Peru. S/.1=100 centimos.
<b>SOLAS Convention</b>	<p>Acronym for Safety of Life at Sea Convention. An international convention, the result of the first International Conference on the Safety of Life at Sea, convened in London, England on November 12, 1913, as a direct result of the Titanic disaster.</p> <p>The SOLAS Convention in its successive forms is regarded as the most important of all international treaties concerning the safety of merchant ships. The first version was signed on January 30, 1914 by representatives of the world's maritime powers.</p> <p>The convention provided for the International Ice Patrol and included minimum standards for radio communications and lifesaving equipment on passenger ships. New versions were adopted in 1929, 1948, 1960 and 1974.</p> <p>The 1960 Convention, which was adopted on June 17, 1960 and entered into force on May 26, 1965, was the first major task for the International Maritime Organization (IMO) after the Organization's creation, and it represented a considerable step forward in modernizing regulations and in keeping pace with technical developments in the shipping industry.</p> <p>A completely new Convention was adopted in 1974, which included not only amendments agreed up until that date but a new amendment procedure--the tacit acceptance procedure--designed to ensure that changes could be made within a specified (and acceptably short) period of time.</p>

	As a result, the 1974 Convention has been updated and amended on numerous occasions. The Convention in force today is sometimes referred to as SOLAS, 1974, as amended. For information contact the International Maritime Organization at <a href="http://www.imo.org">www.imo.org</a> .
<b>sold on the water</b>	(shipping/commerce) The sale, and successive resale, of a single shipment of goods while en route from place of shipment to final destination. This is common in the commodity trade where oil, grain, and ore shipments are sold and resold before the vessel arrives in port. A number of Incoterms© 2010 rules now take this practice into account by giving the seller the option to "procure goods already so delivered." See also string sale .
<b>somoni</b>	The currency of Tajikistan. 1 Somoni = 100 dirams.
<b>sourcing</b>	<p>The location and acquisition of all the vital inputs required for an organization to operate. If an organization spends money or exchanges value for a product or service, it is sourced. An organization's vital inputs can include raw materials, component parts, intermediate parts, machinery, supplies, labor, management, production and management facilities, communications services, and utilities, as well as design, legal, accounting and other services, to name but a few.</p> <p>Sourcing is a primary function of any organizational entity. Successful sourcing has three key components: 1) the acquisition of products and services of sufficient quality, 2) the securing of an uninterrupted supply of products and services, and 3) the acquisition of products and services at the most competitive prices possible. If any of these three components are deficient, the organization will suffer and possibly fail.</p>
<b>Southern Africa Development Community (SADC)</b>	A regional economic pact comprising Angola, Botswana, Democratic Republic of the Congo, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia, and Zimbabwe. Note: The Southern Africa Development Coordinating Conference (SADCC) became the Southern Africa Development Community (SADC) in August, 1992, when the member countries signed a treaty to establish it and replace the SADCC. The SADC placed binding obligations on member countries with the aim of promoting economic integration towards a fully developed common market. Contact: Southern Africa Development Community, Plot No. 54385, Central Business District, Private Bag 0095, Gaborone, Botswana; Tel: [267] 395-1863; Web: <a href="http://www.sadc.int">www.sadc.int</a> .
<b>Southern Africa Development Coordination Conference</b>	Note: The Southern Africa Development Coordinating Conference (SADCC) became the Southern Africa Development Community (SADC) in August, 1992, when the 10 member countries signed a treaty to establish it and replace the SADCC. See Southern Africa Development Community.
<b>Southern African Customs Union</b>	SACU, established in 1910, includes Botswana, Lesotho, Namibia, South Africa, and Swaziland. SACU provides for the free exchange of goods within the area, a common external tariff, and a sharing of custom revenues. External tariffs, excise duties, and several rebate and refund provisions are the same for all SACU members. SACU's revenues are apportioned among its members according to a set formula. These funds constitute a significant contribution to each member's government revenues.
<b>Southern Common Market</b>	See Mercosur.
<b>southern cone</b>	The southern cone consists of Argentina, Brazil, Chile, Paraguay, and Uruguay. With the exception of Chile, these countries also comprise the Southern Common Market.
<b>sovereign credit</b>	(finance) A borrowing guaranteed by the government of a sovereign state.
<b>sovereign risk</b>	(finance) The risk to a lender that the government of a sovereign state may default on its financial obligations.

<b>sovereignty</b>	The rights of a nation to self determination over all that transpires within its boundaries, especially concerning the rights of its people, immigration policy, business dealings, and jurisdiction over airspace, land and maritime matters.
<b>space and equipment reservation</b>	(logistics) A carrier's setting aside of cargo space and equipment for a shipper's specific future shipment.
<b>space arbitrage</b>	See arbitrage, space.
<b>space request (space and equipment request)</b>	(logistics) A shipper's asking a carrier for availability of cargo space and the equipment required to effect a shipment at a future date. This is generally the first contact a shipper makes with a carrier concerning a shipment.
<b>Special 301</b>	(U.S.) The Special 301 statute requires the United States Trade Representative (USTR) to review annually the condition of intellectual property protection among U.S. trading partners. Submissions are accepted from industry after which the USTR, weighing all relevant information, makes a determination as to whether a country presents excessive barriers to trade with the United States by virtue of its inadequate protection of intellectual property. If the USTR makes a positive determination, a country may be named to the list of: (1) Priority Foreign Countries (the most egregious), (2) the Priority Watch List, or (3) the Watch List. See Section 301; Super 301.
<b>special agency</b>	See agency.
<b>Special American Business Internship Training Program (SABIT)</b>	(U.S. government agency) SABIT, formerly the Soviet-American Business Internship Training Program, is a program in which American companies give managers from the Confederation of Independent States (CIS) an opportunity to work in a U.S. corporate setting for up to six months. CIS business managers are referred by the U.S. Department of Commerce to sponsoring U.S. companies, which make the final selection of their interns. The SABIT program matches U.S. corporate sponsors with CIS business executives from the same industries. The CIS provides transportation; the companies provide living expenses and training in management techniques (production, distribution, marketing, accounting, wholesaling, and publishing). SABIT is funded by the U.S. Agency for International Development. Contact: U.S. Department of Commerce; SABIT Program; 1401 Constitution Avenue NW; HCHB 4318; Washington, DC 20230 USA; Tel: (Toll-Free): [1] 1-800 USA TRADE; [1] (202) 482-0073; Web: <a href="http://trade.gov/mac/Developmental_Programs/sabit/index.asp">http://trade.gov/mac/Developmental_Programs/sabit/index.asp</a> .
<b>special and differential treatment</b>	(GATT/WTO) The principle, enunciated in the Tokyo Declaration, that the Tokyo Round of the General Agreement on Tariffs and Trade (GATT) negotiations should seek to accord particular benefits to the exports of developing countries, consistent with their trade, financial, and development needs. Among proposals for special or differential treatment are reduction or elimination of tariffs applied to exports of developing countries under the Generalized System of Preferences (GSP), expansion of product and country coverage of the GSP, accelerated implementation of tariff cuts agreed to in the Tokyo Round for developing country exports, substantial reduction or elimination of tariff escalation, special provisions for developing country exports in any new codes of conduct covering nontariff measures, assurance that any new multilateral safeguard system will contain special provisions for developing country exports, and the principle that developed countries will expect less than full reciprocity for trade concessions they grant developing countries.  See General Agreement on Tariffs and Trade; Generalized System of Preferences, World Trade Organization.
<b>special commodities carrier</b>	(logistics/trucking) A common carrier that is authorized to haul certain regulated items, such as household goods, petroleum products and hazardous materials.

<b>special commodity warehouse</b>	(logistics) A warehouse designed with special facilities and authorized to store unique products such as chemicals (in tanks), grain (in elevators) and tobacco (in barns).
<b>special customs invoice</b>	(customs) A country-of-import required document, similar to a commercial invoice, that contains particular information required for entry of goods into that country. Special customs invoices often itemize freight and insurance charges when a country bases import duties on the landed cost (CIF or Cost, Insurance and Freight) of a shipment.
<b>special drawing right(s) (SDR)</b>	<p>(banking) Reserve assets of the member states of the International Monetary Fund, (IMF) (Bretton-Woods system), for which they can draw an amount of SDRs proportional to their predetermined quota in the IMF. The value of an SDR is based on a currency basket based upon the Euro, US dollar, Japanese yen, and British pound. Some countries define the parity of their currencies in SDRs.</p> <p>(banking/foreign exchange) The amount by which each member state of the IMF is permitted to have its international checking account with the International Monetary Fund go negative before the nation must ask for additional loans.</p> <p>SDRs were established at the Rio de Janeiro conference of 1967. SDRs are available to governments through the Fund and may be used in transactions between the Fund and member governments.</p> <p>IMF member countries have agreed to regard SDRs as complementary to gold and reserve currencies in settling their international accounts. The unit value of an SDR reflects the foreign exchange value of a "basket" of currencies of several major trading countries (the U.S. dollar, the European Union Euro, the Japanese yen, and the British pound). The SDR has become the unit of account used by the IMF and several national currencies are pegged to it. Some commercial banks accept deposits denominated in SDR's (although they are unofficial and not the same units transacted among governments and the fund). See International Monetary Fund.</p>
<b>Special Import Measures Act (SIMA)</b>	(Canada Customs) A Canadian law designed to protect Canadian producers and manufacturers against unfair competition from imports of low-priced dumped or subsidized goods. For more information go to: <a href="http://www.cbsa-asfc.gc.ca/menu/D14-e.html">www.cbsa-asfc.gc.ca/menu/D14-e.html</a> .
<b>special marine policy</b>	<p>(insurance) An insurance policy which is issued to cover a single shipment. The special marine policy form calls for the name of the vessel and sailing date, points of shipment and destination, nature of commodity, description of units comprising the shipment, and the amount of insurance desired. In addition, it calls for the marks and numbers of the shipment, the name of the party to whom loss shall be payable (usually the assured "or orders" thus making the instrument negotiable upon endorsement by the assured), and the applicable policy provisions. Some of these provisions are standard clauses and are incorporated by reference only, while others are specific and apply to the individual shipment in question.</p> <p>A special marine policy is usually utilized on export shipments when the sale is financed through a bank by letter of credit and evidence of insurance is a part of the required documentation.</p> <p>The special marine policy is generally prepared in four or more copies. The original (and duplicate if necessary) is negotiable and is forwarded with the shipping documents to the consignee. The remaining documents serve as office copies for the assured and for the insurance company.</p>

	<p>The terms "special marine policy" and "certificate" are often used interchangeably. The practical effect of the two is the same, but a word as to their difference will be of interest.</p> <p>In former years the use of "certificate" was customary. This, as the name implies, certifies that a shipment has been insured under a given open policy, and that the certificate represents and takes the place of such open policy, the provisions of which are controlling.</p> <p>Because of the objections that an instrument of this kind did not constitute a "policy" within the requirements of letters of credit, it has become the practice to use a special marine policy. This makes no reference to an open policy and stands on its own feet as an obligation of the underwriting company.</p> <p>In some cases, exporters insure through freight forwarders when arranging for forwarding, warehousing, documentation, ocean freight space and the other requirements of overseas trade. While this method may have the merit of simplicity, it should be emphasized that there are definite advantages in having one's own policy and that this need not entail burdensome clerical detail.</p> <p>See open policy; declaration; bordereau.</p>
<b>special rates</b>	(shipping) Rates that apply to cargo traffic under special conditions and usually at a limited number of cities. Examples of such rates are container rates, exception ratings, surface-air rates, and import rates.
<b>Special Trade Programs</b>	(U.S. imports) A group of six programs that offer incentives for doing business with certain countries. The programs include: African Growth and Opportunity Act (AGOA), Andean Trade Preference Act (ATPA), Andean Trade Promotion and Drug Eradication Act (ATPDEA), Caribbean Basin Trade Partnership Act (CBTPA), Caribbean Basin Economic Recovery Act (CBERA), and Generalized Systems of Preferences (GSP). For more information, contact U.S. Customs and Border Protection at <a href="http://www.cbp.gov">www.cbp.gov</a> .
<b>Specially Designated Nationals and Blocked Persons (SDN)</b>	(U.S.) A list maintained by the U.S. Treasury's Office of Foreign Asset Control (OFAC) of individuals, organizations, countries and geographic regions with whom U.S. individuals and firms are prohibited from doing business. U.S. firms must check this list on an ongoing basis to ensure that potential customers and existing customers are not prohibited persons or entities and are not from embargoed countries or regions before transacting any business with them.
<b>specific commodity rate</b>	(shipping) Rate applicable to certain classes of commodities, usually commodities moving in volume shipments. Hence, specific commodity rates are usually lower than the general commodity rate between the same pair of cities.
<b>specific rate of duty</b>	(customs) A specified amount of duty per unit of weight or other quantity. For example, 5.9 cents per pound, or 8 cents per dozen. See ad valorem; compound rate of duty.
<b>specification</b>	A clear and accurate written description of the technical requirements for a material, product, or service being purchased or performed. Specifications also include requirements related to the performance of the materials or products, or standards related to the delivery of services. A specification often includes a means for determining whether a requirement has been satisfied or a standard met. Specifications can be in the form of written descriptions, drawings, prints, commercial designations, published industry standards and other descriptive references.
<b>spot</b>	See spot operations.
<b>spot cash</b>	(banking) Immediate cash payment in a transaction, as opposed to payment at some future time.

<b>spot exchange</b>	(foreign exchange) The purchase and sale of foreign exchange for delivery and payment at the time of the transaction.
<b>spot exchange rate</b>	(foreign exchange) The price of one currency expressed in terms of another currency at a given moment in time.
<b>spot market</b>	(foreign exchange) The market (or exchange) for a commodity or foreign exchange available for immediate delivery (usually one or two days after the transaction date).
<b>spot operations</b>	(foreign exchange) Foreign exchange dealing in which settlement of the mutual delivery commitments is made at the latest two days (normally on the second business day) after the transaction was carried out.
<b>spot price</b>	A price quotation for immediate sale and delivery of a commodity or currency.
<b>spot rate</b>	The rate for purchase or sale of a commodity for immediate delivery.
<b>spot trading</b>	See spot market; spot operations.
<b>spot/next</b>	(foreign exchange) Swap transaction, the spot side of which has the normal spot value date while the forward side becomes due one business day later.
<b>spotting</b>	(shipping) The placing of a container where required to be loaded or unloaded.
<b>spur track</b>	(logistics/rail transport) A section of railroad track that connects a manufacturing plant or warehouse to the main railroad line. The cost of the spur and its maintenance is borne by the connected facility.
<b>squaring (positions)</b>	(finance/foreign exchange) Covering an open position (securities, foreign exchange or commodities) by means of corresponding contra business.
<b>stage</b>	(logistics) Positioning and preparing freight for shipment at a specific location.
<b>stanchion</b>	(shipping) (a) A vertical supporting beam that transfers force from the mast to the hull of a sailing ship. (b) A vertical supporting beam that supports decks or girders on a container vessel. (c) A vertical supporting beam that supports the roof of a shipping container.
<b>standard industrial classification (SIC)</b>	(U.S.) The classification standard underlying all establishment-based U.S. economic statistics classified by industry.
<b>standard industry (business) practices</b>	Purchase, sale, delivery and other practices that are unique to a specific industry. For example, in the printing industry, standard industry practice allows for a final delivery quantity of ten percent over or under the ordered quantity, with the final bill adjusted accordingly.
<b>Standard International Trade Classification, Revision 3 (SITC, Rev. 3)</b>	(international classification system) A United Nations-established and maintained classification and coding system developed for the compilation of international trade statistics and the promotion of international comparability of international trade statistics. The SITC code reflects: 1) the materials used in production, 2) the processing stage, 3) market practices and uses of the products, 4) the importance of the commodities in terms of world trade, and 5) technological changes. The latest revision was Revision 3 in 1986. The SITC corresponds to the following other international classifications: Classification by Broad Economic Categories (BEC), The Harmonized Commodity Description and Coding System (HS), Central Product Classification (CPC), and the International Standard Industrial Classification (ISIC). Contact at UNSD (United Nations Statistics Division); International Trade Statistics Branch; Web: <a href="http://unstats.un.org/unsd/default.htm">http://unstats.un.org/unsd/default.htm</a> . See Harmonized System, International Standard Industrial Classification.
<b>standard of living</b>	(economics) The level of material affluence of a nation as measured by per capita output.

<b>standards</b>	As defined by the Multilateral Trade Negotiations "Agreement on Technical Barriers to Trade" (Standards Code), a standard is a technical specification contained in a document that lays down characteristics of a product such as levels of quality, performance, safety, or dimensions. Standards may include, or deal exclusively with, terminology, symbols, testing and test methods, packaging, marking, or labeling requirements as they apply to a product. See International Standards Organization; American National Standards Institute.
<b>standby commitment</b>	(banking) A bank commitment to loan money up to a specified amount for a specific period, to be used only in a certain contingency.
<b>standby letter of credit</b>	(banking) The standby letter of credit is very similar in nature to a guarantee. The beneficiary can claim payment in the event that the principal does not comply with its obligations to the beneficiary. Payment can usually be realized against presentation of a sight draft and written statement that the principal has failed to fulfill his obligations.  With this instrument the following payments and performances, among others, can be supported: 1) repay funds borrowed or advanced, 2) fulfill subcontracts, and 3) undertake payment of invoices made on open account. See letter of credit.
<b>standing to sue</b>	(law) A party's interest in a controversy that is sufficient to allow the party to request a judicial resolution. A buyer who suffers damages because of the seller's breach of contract, for example, has standing to sue, but a friend of the buyer who was not a party to the contract and who has not suffered damages from the breach has no standing to sue.
<b>standstill</b>	(GATT) Standstill refers to a commitment of the General Agreement on Tariffs and Trade (GATT) contracting parties not to impose new trade-restrictive measures during the Uruguay Round negotiations. See rollback; General Agreement on Tariffs and Trade; Uruguay Round.
<b>starboard</b>	(shipping) The right side of a ship when one is facing the bow.
<b>stare decisis</b>	(law) A legal doctrine under which courts, in resolving current disputes, follow cases decided previously. This doctrine is followed in countries that adhere to common law principles. See common law.
<b>STAT-USA (pre-10/1/2010)</b>	(U.S. Dept. of Commerce) STAT-USA was a fee-funded office in the U.S. Department of Commerce that developed and operated electronic information systems to deliver government economic, business, statistical, and foreign trade information to the public, primarily through subscription online services. STAT-USA's flagship product, STAT-USA/Internet (Web: <a href="http://www.stat-usa.gov">www.stat-usa.gov</a> ), was a subscription based Internet site that contains all of the information in the National Trade Data Bank (NTDB) as well as an extensive collection of domestic economic data.
<b>State Export Program Database</b>	(U.S.) The SEPD is a trade lead system maintained by the National Association of State Development Agencies (NASDA). The SEPD includes information on state operated trade lead systems. The SEPD can be purchased on CD-ROM for \$125.00 directly from the NASDA's Web site at: <a href="http://www.nasda.com">www.nasda.com</a> . See National Association of State Development Agencies.
<b>state trading enterprises</b>	Entities established by governments to import, export and/or produce certain products. Examples include: government-operated import/export monopolies and marketing boards, or private companies that receive special or exclusive privileges from their governments to engage in trading activities.
<b>state trading nations</b>	(economics) Countries such as the former Soviet Union, the People's Republic of China, and nations of Eastern Europe that rely heavily on government entities, instead of the private sector, to conduct trade with other countries. Some of these countries, (e.g., Cuba) have long been Contracting Parties to the General Agreement on Tariffs and

	Trade (GATT) and now the World Trade Organization (WTO), whereas others (e.g., Poland, Hungary, and Romania), became Contracting Parties later under special Protocols of Accession. The different terms and conditions under which these countries acceded to GATT and the WTO were designed in each case to ensure steady expansion of the country's trade with other GATT/WTO countries taking into account the relative insignificance of tariffs on imports into state trading nations.
<b>state/industry-organized, government approved (S/IOGA)</b>	The name of this program has recently been changed to Certified Trade Missions Program. See Certified Trade Missions Program.
<b>statement of work</b>	A clear and accurate written statement of what a contractor is to accomplish to satisfy the terms of a contract. Includes a scope of services statement, other deliverables, and terms and conditions. The statement of work serves to establish an agreement between the client and contractor about the specific nature of the work to be performed.
<b>statute of frauds</b>	(U.S. law) A law that requires designated documents to be written in order to be enforced by a court. Contracting parties, for example, may orally agree to transfer ownership of land, but a court may not enforce that contract, and may not award damages for breach, unless the contract is written.
<b>steamship indemnity</b>	(shipping) An indemnity received by an ocean carrier issued by a bank indemnifying him for any loss incurred for release of goods to the buyer without presentation of the original bill of lading.
<b>sterling</b>	(a) The money of Great Britain. (b) An article made from sterling silver. Sterling silver is an alloy of silver that is 925/1000 pure. An article of sterling silver is generally marked "925" or "Sterling."
<b>stern</b>	(shipping) The rear part of a ship, boat or airplane.
<b>stevedore</b>	(shipping) A person having charge of the loading and unloading of ships in port. A longshoreman. See longshoreman; gang.
<b>stock on hand</b>	(logistics) Inventory of raw materials, component parts or finished goods available for shipment at any given moment in time. The term generally refers to stock of finished goods.
<b>stop loss order</b>	(foreign exchange) An order to buy (on a short position) or to sell (on a long position) foreign exchange if the rate rises above or falls below a specific limit. As soon as the rate reaches the prescribed limit, the order will be carried out at the next rate. Depending on the market situation, this rate can differ considerably from the limit rate.
<b>storage</b>	(shipping) The keeping of goods in a warehouse.
<b>storage demurrage</b>	(shipping) A charge made on property remaining on the dock past the prescribed "free-time period." See demurrage.
<b>storage in transit</b>	(shipping) The stopping of freight traffic at a point located between the point of origin and destination to be stored and reforwarded at a later date.
<b>store-door delivery</b>	(shipping) The movement of goods to the consignee's place of business, customarily applied to movement by truck.
<b>stores</b>	See ship's stores.
<b>stowage</b>	(shipping) The arranging and packing of cargo in a vessel for shipment.
<b>stowage instructions</b>	(shipping) Specific instructions given by the shipper or his agent concerning the way in which cargo is to be stowed. For example, a shipper may require that his shipment be placed below deck if it may be damaged by exposure to the elements above deck, or midships if it may be damaged by the greater movement of the vessel in fore and aft sections.
<b>stowplan or stowage plan</b>	(shipping) A diagram showing how cargo or containers have been or are to be placed on a vessel.

<b>straddle carrier</b>	(transportation) A large four- or eight-wheeled vehicle designed to straddle, lift, move, and stack ocean freight containers at ocean, truck, and rail container terminals. Straddle carriers come in different sizes, with the largest able to lift and stack 50,000kg (110,000lb) loaded containers three or four high. Straddle carriers are substantially more expensive than reach stackers and as a result are only used in larger, high-volume container terminals. See reach stacker.
<b>straight bill of lading</b>	(shipping) A nonnegotiable bill of lading that designates a consignee who is to receive the goods and that obligates the carrier to deliver the goods to that consignee only. A straight bill of lading cannot be transferred by endorsement. See bill of lading; negotiable instrument; ocean bill of lading.
<b>stranding</b>	(shipping/insurance) The grounding of a vessel, causing her to remain fast for an appreciable length of time. Mere contact with the ground in which the vessel, without losing her momentum, proceeds on her course, commonly termed touch-and-go, is not a stranding.
<b>strategic alliance</b>	(commerce/management) An agreement made between two or more individuals, organizations or legal entities, within the same or complimentary industries, to accomplish one or more specific goals such as: increase market share, reduce costs, create new products or enter new markets. See joint venture.
<b>strategic level of controls</b>	(U.S.) Commodity groupings used for export control purposes. See export control classification number.
<b>strike clause</b>	(insurance) An insurance clause included in policies to cover against losses as a result of strikes.
<b>strike price</b>	(finance/foreign exchange) Price at which the option buyer obtains the right to purchase (call option) or sell (put option) the underlying security or currency.
<b>strikes, riots and civil commotion</b>	<p>(insurance) An insurance policy endorsement, usually referred to as S.R.&amp;C.C. (strikes, riots and civil commotion) coverage, which extends the insurance policy to cover damage, theft, pilferage, breakage or destruction of the insured property directly caused by strikers, locked-out workmen or persons taking part in labor disturbances, riots or civil commotions.</p> <p>Destruction of and damage to property caused by vandalism, sabotage and malicious acts of person(s) regardless of (political/ideological/terroristic) intent be it accidental or otherwise is also held covered under S.R.&amp;C.C. unless so excluded in the F.C.&amp;S. (free of capture and seizure) warranty in the policy.</p> <p>The S.R.&amp;C.C. endorsement excludes coverage for any damage or deterioration as a result of delay or loss of market, change in temperature/humidity, loss resulting from hostilities or warlike operations, absence/shortage/withholding power, fuel, labor during a strike (riot or civil commotion) or weapons of war that employ atomic or nuclear fusion/fission.</p> <p>In order to eliminate the war cover from the marine policy it became customary to add a "free of capture and seizure" clause, stating that the policy did not cover warlike operations or its consequences, whether before or after the actual declaration of war. Currently, most open policies omit war perils from its insuring conditions and in all cases will include a F.C.&amp;S. clause. War coverage is customarily furnished in conjunction with an open cargo policy and is written under a separate, distinct policy-the War Risk Only Policy.</p> <p>See war risk; war risk insurance; open policy.</p>
<b>striking price; exercise price</b>	See strike price.

<b>string sale</b>	(shipping/commerce) The sale, and successive resale, of a single shipment of goods while en route from place of shipment to final destination. This is common in the commodity trade where oil, grain, and ore shipments are sold and resold before the vessel arrives in port. A number of Incoterms 2010 rules now take this practice into account by giving the seller the option to "procure goods already so delivered."
<b>stripping</b>	(shipping) The unloading of cargo from a container. Also called devanning.
<b>Structural Impediments Initiative (SII)</b>	<p>(U.S./Japan) The SII was started in July 1989 to identify and solve structural problems that restrict bringing two-way trade between the U.S. and Japan into better balance.</p> <p>Both the U.S. and Japanese governments chose issues of concern in the other's economy as impediments to trade and current account imbalances. The areas which the U.S. government chose included: (1) Japanese savings and investment patterns, (2) land use, (3) distribution, (4) keiretsu, (5) exclusionary business practices, and (6) pricing. Areas which the Japanese Government chose included: (1) U.S. savings and investment patterns, (2) corporate investment patterns and supply capacity, (3) corporate behavior, (4) government regulation, (5) research and development, (6) export promotion, and g) workforce education and training.</p> <p>In a June 1990 report, the U.S. and Japan agreed to seven meetings in the following three years to review progress, discuss problems, and produce annual joint reports.</p>
<b>stuffing</b>	(shipping) The loading of cargo into a container.
<b>subcontract</b>	(law) A contract between a party to an original contract (prime contractor) and a third party (subcontractor) to provide some or all of the goods or services required in the original contract.
<b>subcontractor</b>	(law) An individual or company that contracts to provide some or all of the goods or services required by a prime contractor in satisfaction of an original contract. See prime contractor.
<b>subrogation</b>	(insurance) The right of an insurer, upon payment of a loss, to the benefit of any rights against third parties that may have been held by the assured. This usually involves recoveries from carriers that handled a shipment that was subject to loss or damage.
<b>subrogation receipt</b>	(insurance) A document signed by a cargo owner acknowledging receipt of payment of a claim, and assigning his rights of recovery (against any third party) to an insurance company.
<b>subsidiary</b>	(law) A business entity with more than 50 percent of its voting stock owned by another firm.
<b>subsidy</b>	<p>(economics) A bounty, grant or economic advantage paid by a government to producers of goods for the manufacture, production, or export of an article, often to strengthen their competitive position. Export subsidies are contingent on exports; domestic subsidies are conferred on production without reference to exports.</p> <p>The subsidy may be direct (a cash grant), or indirect, low-interest export credits guaranteed by a government agency, for example), or take a less direct form (R&amp;D support, tax breaks, loans on preferential terms, and provision of raw materials at below-market prices).</p> <p>(WTO) The payment of subsidies by a national government to export producers in a major trade issue. See World Trade Organization.</p>

<b>subzone</b>	(U.S. foreign trade zones) A special purpose foreign trade zone established as part of a foreign trade zone project for a limited purpose that cannot be accommodated within an existing zone. Subzones are often established to serve the needs of a specific company and may be located within an existing facility of the company. See foreign trade zone; Foreign Trade Zone Board; Foreign Trade Zone Act; operator; grantee; zone user.
<b>sue and labor (clause)</b>	<p>(insurance) A clause in marine and inland marine insurance policies that requires the policyholder, in event of loss, to take all necessary steps to save the property from further loss, and to recover from others who caused the loss. The insurer agrees to pay reasonable costs of this effort. The sue and labor clause of the open cargo policy reads essentially as follows:</p> <p>"In case of any loss or misfortune it shall be lawful and necessary to and for the assured, his or their factors, servants and assigns to sue, labor, and travel, for, in and about the defense, safeguard and recovery of the goods and merchandise or any part thereof ... to the charges whereof this company will contribute according to the rate and quantity of the sum herein insured."</p> <p>Reasonable charges incurred for this purpose are generally collectible under the insurance policy. For example, when a shipment of canned goods arrives with some leaking cans in each of several cartons, the leaking cans must be taken out if rusting and label damage are to be minimized. The expense insured in this operation may be recovered under the insurance policy.</p>
<b>Suezmax</b>	(shipping) An ocean-going cargo vessel of the maximum size possible to pass through the locks of the Suez Canal in Egypt. This standard has evolved over time. Prior to 1967, a Suezmax was a maximum of 80,000 dwt. The canal was closed between 1967 and 1975 because of the Israel-Arab conflict. Upon reopening in 1975, after many modifications to the locks and canal itself, the maximum was increased to 150,000 dwt.
<b>Sufferance Warehouse</b>	<p>(Canada Customs) Privately owned and operated warehouse facilities licensed by the Canada Border Services Agency (CCRA) for the control, short-term storage and examination of imported goods until they are released by the CBSA or exported from Canada. This means that goods can be moved under Customs' control beyond the first point of arrival to a licensed facility for temporary storage pending Customs clearance. There are five main types of warehouse licenses depending upon the type of goods stored and the method of transportation:</p> <p>Type A--Operated by an airline, marine or railway company. Also those located at a marine wharf and operated by a harbor commission or stevedoring company.</p> <p>Type B--Used for the storage of imported goods arriving by highway in commercial motor vehicles</p> <p>Type C--Operated by a third-party for the storage, deconsolidation and sorting of imported shipments and for the consolidation of shipments according to their destination.</p> <p>Type S--Operated by a person or persons for the storage of specific classes of imported goods arriving by any mode of transportation.</p> <p>Type PS--Railway sidings owned or operated by an importer where carloads of imported goods are held pending</p>

	<p>release by the CBSA.</p> <p>For details on sufferance warehouse regulations go to: <a href="http://www.cbsa-asfc.gc.ca/import/warehousing-entrepotage-eng.html#P346_31865">www.cbsa-asfc.gc.ca/import/warehousing-entrepotage-eng.html#P346_31865</a> or contact the Automated Customs Information Service (ACIS) at (toll-free within Canada) (800) 461-9999 or (outside Canada) (204) 983-3500 or (506) 636-5064.</p>
<b>sum</b>	The currency of Uzbekistan. 1 sum = 100 tiyin.
<b>summary investigation</b>	(U.S.) A 20-day investigation conducted immediately following filing of an antidumping petition to ascertain if the petition contains sufficient information with respect to sales at "less than fair value" and the injury or threat of material injury to a domestic industry caused by the alleged sales at "less than fair value" to warrant the initiation of an antidumping investigation. See dumping.
<b>summit conference</b>	(diplomacy) An international meeting at which heads of government are the chief negotiators, major world powers are represented, and the meeting serves substantive rather than ceremonial purposes. The term first came into use in reference to the Geneva Big Four Conference of 1955.
<b>Super 301</b>	(U.S.) This provision was enacted due to U.S. Congressional concern that the regular Section 301 procedures narrowly limit U.S. attention to the market access problems of individual sectors or companies. Super 301 sets procedures to identify and address within three years certain "priority," systemic trade restriction policies of other nations. Super 301 authority expired May 30, 1990. See Section 301; Special 301.
<b>superdeductive</b>	See deductive value.
<b>superficies</b>	(law) A right to build on the surface of real property. A landowner may transfer a superficies right, for example, to a developer who agrees to build on the property in exchange for an annual rent to the landowner.
<b>Superintendent of Documents</b>	(U.S.) Official supplier of U.S. government documents, publications, books, etc. Government Periodicals and Subscription Services is a catalog of products and prices. Contact: Superintendent of Documents; U.S. Government Printing Office; Mail Stop: IDCC; 732 N. Capitol Street, NW; Washington, DC 20401; Tel: [1] (866) 512-1800, [1] (202) 512-1800; Web: <a href="http://www.gpoaccess.gov">www.gpoaccess.gov</a> .
<b>supplemental carrier</b>	(logistics) A for-hire air carrier that operates without a set schedule or designated route. Service is provided on a charter or contract basis.
<b>supply access</b>	(economics/customs) Assurances that importing countries will, in the future, have fair and equitable access at reasonable prices to supplies of raw materials and other essential imports. Such assurances should include explicit constraints against the use of the export embargo as an instrument of foreign policy.
<b>supply chain (logistics)</b>	<p>The series of physical facilities, equipment, management and technology that supply goods or services from source to the ultimate consumer. For products these minimally include manufacturing plants, warehouses, distribution centers, conveyances (such as trucks, cargo aircraft, ships and trains), sales locations or methodologies (such as retail stores or Internet Web sites), computer systems and software. The processes, systems and links between these facilities are the subject of ever evolving theory, debate and great technological change. For example, computers and the Internet are part of the supply chain through inventory information systems and e-commerce ordering systems as well as Web-based delivery of information and services.</p> <p>See supply chain management.</p>

<b>supply chain management</b>	(logistics) The efficient integration of the processes, facilities and technologies involved in the movement of goods or services from source to the ultimate consumer. Modern supply chain management involves the linking of all parties in the supply chain to effectively coordinate the production of the right products or services and their delivery to the right place at the right time for the least cost. Supply chain management refers to the aggregate of the following processes: customer ordering or obtaining sales data, raw material and component parts procurement, coordination of the manufacturing process, warehousing, distribution, invoicing, shipping, receiving, inventory control and order fulfillment. See supply chain.
<b>surcharge</b>	(shipping) A charge above the usual or customary charge.
<b>surety</b>	<p>(insurance) A bond, guaranty, or other security that protects a person, corporation, or other legal entity in cases of another's default in the payment of a given obligation, improper performance of a given contract, malfeasance of office, and others.</p> <p>(law) A surety is usually a party to the contract with the principal debtor and the third person, making the surety equally liable with the debtor. In contrast, a guarantor is usually not a party to the contract between the debtor and the third person.</p> <p>(U.S. Customs) Surety Bond--U.S. Customs entries must be accompanied by evidence that a bond is posted with Customs to cover any potential duties, taxes, and penalties which may accrue. Bonds may be secured through a resident U.S. surety company, but may be posted in the form of United States money or certain United States government obligations. In the event that a customs broker is employed for the purpose of making entry, the broker may permit the use of his bond to provide the required coverage. See bond; guaranty.</p>
<b>survey</b>	<p>(shipping) (a) To examine the condition of a vessel for purposes of establishing seaworthiness and/or value.</p> <p>(insurance) (b) To examine the condition of damaged property to determine the cause, nature, and extent of damage, and methods of repair or replacement.</p> <p>(c) A report issued by a surveyor.</p>
<b>survey report</b>	Report of an expert, issued by an independent party. See inspection certificate.
<b>surveyor</b>	(shipping/insurance) A marine specialist who examines 1) the condition of a vessel for purposes of establishing seaworthiness and/or value, or 2) damaged property and determines the cause, nature, and extent of damage, and methods of repair and/or replacement. A surveyor is not an adjuster, and his or her actions are without prejudice to insurance policy terms and conditions.
<b>sushi bond</b>	(banking/finance) Eurodollar bonds issued by Japanese corporations on the Japanese market for Japanese investors.
<b>suspension of investigation</b>	(U.S.) A decision to suspend an antidumping investigation if the exporters who account for substantially all of the imported merchandise agree to stop exports to the U.S. or agree to revise their prices promptly to eliminate any dumping margin. An investigation may be suspended at any time before a final determination is made. No agreement to suspend an investigation may be made unless effective monitoring of the agreement is practicable and is determined to be in the public interest. See dumping.

<b>suspension of liquidation</b>	(U.S. Customs) When a preliminary determination of dumping or subsidization, or final determination after a negative preliminary determination is affirmative, there is a provision for suspension of liquidation of all entries of merchandise subject to the determination which are entered, or withdrawn from warehouse, for consumption, on or after the date of the publication of the notice in the Federal Register. Customs is directed to require a cash deposit, or the posting of a bond or other security, for each entry affected equal to the estimated amount of the subsidy or the amount by which the fair value exceeds the U.S. price. When an administrative review is completed, Customs is directed to collect the final subsidy rate or amount by which the foreign market value exceeds the U.S. price, and to require for each entry thereafter a cash deposit equal to the newly determined subsidy rate or margin of dumping. See liquidation; dumping.
<b>swap (transaction)</b>	<p>(banking/finance/foreign exchange) A spot purchase of foreign exchange (currency swaps), fixed or floating rate funds (interest rate swaps) or assets (asset swaps) with simultaneous forward sale or vice versa.</p> <p>Pase financiero is an Argentinian system, related to the swap system, whereby persons or institutions making capital investments are given an "exchange guarantee," which guarantees that the funds can be reexchanged at a predetermined exchange rate on a specific date. The French government is recommending the term crédit croisé but it is fighting a losing battle.</p> <p>(foreign exchange) Sale of one currency against another currency at a specific maturity and the simultaneous repurchase from the same counterparty at a different maturity. Normally, one of the maturity dates will be that of spot operations. See countertrade.</p>
<b>sweat damage</b>	(shipping/insurance) Cargo damage caused by water condensing from humid air inside a container or vessel due to a drop in temperature.
<b>SWIFT</b>	<p>(banking) Acronym for Society for Worldwide Interbank Financial Telecommunication. A co-operative organization founded in Brussels in 1973 that promotes the standardization of global communications links for data processing and a common language for international financial transactions. Specifically, the society operates secure standardized messaging services and interface software to 8,300 financial institutions in 208 countries for financial messages related to letters of credit and various other forms of international payments. More than ten million SWIFT messages are sent and received each business day. SWIFT has its headquarters in Belgium and has offices in the world's major financial centres and developing markets. SWIFT is solely a carrier of messages. It does not hold funds nor does it manage accounts on behalf of customers, nor does it store financial information on an on-going basis. As a data carrier, SWIFT transports messages between two financial institutions. This activity involves the secure exchange of proprietary data while ensuring its confidentiality and integrity. For information go to: <a href="http://www.swift.com">www.swift.com</a> or contact at:</p> <p>SWIFT (Headquarters); Avenue Adèle 1; B-1310 La Hulpe; Belgium; Tel: [32] 2 655 31 11; Fax: [32] 2 655 32 26.</p> <p>SWIFT (USA); 7 Times Square, 45th floor; New York, NY 10036 USA; Tel: [1] (212)455-1800; Fax: [1] (212) 455-1817.</p>
<b>switch</b>	(railroads/logistics) (a) To move railway cars around a railyard or terminal. (b) To detach a railway car from one train and attach it to another.

<b>switch arrangements</b>	(commerce/banking) A form of countertrade in which the seller sells on credit and then transfers the credit to a third party. See countertrade.
<b>switch engine</b>	(railroads/logistics) A railroad engine used to move railway cars around a railyard or terminal.
<b>switching and terminal company</b>	(logistics) A company that provides specialized terminal services to carriers including switching, terminal trackage, bridges or ferries. These firms sometimes operate cargo and passenger services.
<b>System for Tracking Export License Applications (STELA)</b>	(U.S.) STELA is a U.S. Department of Commerce, Bureau of Industry and Security (formerly the Bureau of Export Administration) computer-generated voice unit that provides callers with the status of their license and classification applications. STELA enables a caller to check on an export license by making a telephone call to [1] (202) 482-2752. See Bureau of Industry and Security.
<b>T1</b>	(EU Customs) A European Community (EC) Customs code designation placed on the EC Single Administrative (transport) Document (SAD) defining transit status as "non-EC goods which have not been entered into free circulation in the EC." See T2, T5, Single Administrative Document.
<b>T2</b>	(EU Customs) A European Community (EC) Customs code designation placed on the EC Single Administrative (transport) Document (SAD) defining transit status as "for free-circulation goods to be moved by surface (road, rail, ship or any combination) between EC countries via an EFTA (European Free Trade Area) country." See T1, Single Administrative Document.
<b>T5</b>	(EU Customs) A European Community (EC) Customs code designation placed on the EC Single Administrative (transport) Document (SAD) defining transit status as " goods controlled under the EC's Common Agricultural Policy ." See T1, T2, Single Administrative Document.
<b>table of denial orders</b>	(U.S.) A list of individuals and firms which have been disbarred from shipping or receiving U.S. goods or technology. Firms and individuals on the list may be disbarred with respect to either controlled commodities or general destination (across-the-board) exports.
<b>taka</b>	The currency of Bangladesh. Tk1=100 poisha.
<b>tala</b>	The currency of Samoa. WS\$1=100 sene.
<b>tally sheet</b>	(logistics) A record of the particulars of freight being loaded or unloaded, including quantities, descriptions and marks.
<b>tandem</b>	(trucking) A vehicle, such as a tractor or semitrailer, with a close coupled pair of rear axles.
<b>tank container</b>	(logistics) A receptacle used for holding, storing or transporting liquid or gas in bulk. The typical tank container consists of a tank encased in a framework of a standard 10-, 20- or 40-foot length container. Some tank containers are divided into separate internal sections. See tanker car.
<b>tanker</b>	(shipping/rail transport) A truck trailer, barge, container or vessel specially designed to transport bulk liquids such as crude oil, refined petroleum, liquid chemicals, cooking oil or orange juice. See tank container, tanker car (rail), tanker trailer.
<b>tanker car (rail)</b>	(rail transportation) A tank integrated into a railroad car frame designed to carry bulk liquids by rail. Common commodities transported in tankers include refined gasoline, heating oil, alcohol, industrial chemicals, acids (sulfuric acid, oleum, phosphoric acid, hydrochloric acid, ferric chloride, hydrofluosilic acid), clay slurry, and corn syrup and other foodstuffs. Tankers are manufactured with product-specific linings and coatings to protect tank shell integrity and product purity. Many cars are fitted with loading and unloading devices on a single nozzle, protecting workers and the environment. Acid cars are specially designed and constructed tankers that feature high-bake epoxy linings, acid-resistant coatings, and acid-resistant fittings and unloading systems.

<b>tanker trailer (road)</b>	<p>(road transportation) A truck trailer manufactured around a rigid tank and designed to carry a wide variety of fluid cargo. Standard cargo for tanker trailers includes: refined gasoline, heating oil, natural gas, acids, industrial chemicals, caustic soda, clay slurry, cooking oils, corn syrup, orange juice, milk, and other foodstuffs. Some fluid cargo requires specially designed tanks. For example, tankers designed to transport caustic soda and certain acids require sidewalls, exterior paint, and fittings that will withstand the corrosive effects of the cargo. The standard axle/wheel configuration is 2-axle/8-wheel. For heavier loads, 3-axle/12-wheel or 4-axle/16-wheel configurations are available.</p> <p>Options include multiple compartments (one to seven), discharge pumps, metering equipment, insulated tanks, pressure tanks, ladders, walkways, hose carriers, and belly cabinets.</p>
<b>tanker vessel (crude-oil tanker)</b>	<p>(shipping) A liquid bulk vessel designed specifically to carry crude oil. Oil tankers come in all sizes, but the larger "supertankers" are truly giant vessels. The deck of a tanker is covered with pipes and pumps used to move the crude oil from ship to shore or from hold to hold. All modern oil tankers are double-hulled to protect against oil spills in case of a collision. Oil tankers load their cargo by gravity or by shore pump from the shore. They discharge using onboard pumps.</p> <p>There are two scales for measuring size, or rather the capacity, of tankers, the fixed AFRA Scale and the Flexible Market Scale. Both scales rate tankers on deadweight tonnage (dwt). Some tankers are as small as 10,000 dwt and some exceed 500,000 dwt. The tankers used to traverse the Horn of Africa are different from the ones that travel through the Caribbean.</p>
<b>tapering rate</b>	<p>(logistics) A cargo shipping rate that increases with distance traveled, but not in as great a proportion as the distance traveled. For example, the rate for cargo shipped 2,000 km might only be 60 percent greater than the rate for shipping the same cargo 1,000 km.</p>
<b>tare or tare weight</b>	<p>(shipping) The weight of a container and/or packing materials, but without the goods being shipped. The gross weight of a shipment less the net weight of the goods being shipped.</p>
<b>tariff</b>	<p>(general) A comprehensive list or "schedule" of merchandise with applicable rates to be paid or charged for each listed article.</p> <p>(shipping) A schedule of shipping rates charged, together with governing rules and regulations. A tariff sets forth a contract of carriage for the shipper, the consignee, and the carrier. Individual carriers also publish their own tariffs covering special services. International tariffs containing freight rates of the U.S. international carriers are published by the U.S. flag carriers.</p> <p>(customs) A schedule of duties or taxes assessed by a government on goods as they enter (or leave) a country. Tariffs may be imposed to protect domestic industries from imported goods and/or to generate revenue. Types include ad valorem, specific, variable, or compound. In the United States, the imposition of tariffs is made on imported goods only.</p> <p>Tariffs raise the prices of imported goods, thus making them less competitive within the market of the importing country. Tariffs are much less important measures of protection than they used to be.</p>

	See ad valorem; specific rate of duty; variable rate of duty; compound rate of duty.
<b>tariff anomaly</b>	(customs) A tariff anomaly exists when the tariff on raw materials or semi-manufactured goods is higher than the tariff on the finished product.
<b>tariff escalation</b>	(customs) A situation in which tariffs on manufactured goods are relatively high, tariffs on semi-processed goods are moderate, and tariffs on raw materials are nonexistent or very low.
<b>tariff quotas</b>	(customs) Application of a higher tariff rate to imported goods after a specified quantity of the item has entered the country at a lower prevailing rate. See quota.
<b>tariff schedule</b>	(customs) A comprehensive list of the goods which a country may import and the import duties applicable to each product. See Harmonized System; Harmonized Tariff Schedule of the United States.
<b>Tariff Schedule of the United States</b>	See Harmonized Tariff Schedule of the United States.
<b>tariff trade barriers</b>	See trade barriers.
<b>tariff war</b>	When one nation increases the tariffs on goods imported from, or exported to another country, and that country then follows by raising tariffs itself in a retaliatory manner.
<b>tau</b>	(foreign exchange) The price change of a foreign exchange option for a 1 percent change in the implied volatility.
<b>tax haven</b>	(trade) A nation offering low tax rates and other incentives for individuals and businesses of other countries. The U.S. National Bureau of Economic Research has suggested that roughly 15% of countries in the world are tax havens, that these countries tend to be small and affluent, and that better governed and regulated countries are more likely to become tax havens, and are more likely to be successful if they become tax havens. In 2010 it was reported that Google uses techniques called the "Double Irish" and "Dutch Sandwich" to reduce its corporate income tax to 2.4%, by funneling its corporate income through Ireland and from there to a shell in the Netherlands where it can be transferred to Bermuda, which has no corporate income tax See transfer pricing.
<b>Tax Information Exchange Agreement</b>	An agreement concluded between the U.S. and a beneficiary country designated pursuant to the Caribbean Basin Economic Recovery Act of 1983. This agreement generally involves an expanded version of the standard exchange of information article usually included in a bilateral income tax treaty. The U.S. has similar agreements with most major trading partners. Like the standard tax treaty exchange of information article, a TIEA imposes on the agreeing countries a mutual and reciprocal obligation to exchange information relating to the enforcement of their respective tax laws.
<b>Technical Advisory Committee(s)</b>	(U.S.) Voluntary groups of industry and government representatives who provide guidance and expertise to the U.S. Department of Commerce on technical and export control matters, including evaluation of technical issues; worldwide availability, use and production of technology; and licensing procedures related to specific industries. TACs have been set up for: 1) materials, 2) biotechnology, 3) computer systems, 4) electronics (formerly "semiconductors"), 5) sensors (formerly "electronic instrumentation"), 6) materials processing equipment (formerly "automated manufacturing equipment"),

	7) military critical technologies, 8) telecommunications equipment, and 9) transportation and related equipment. See United States Department of Commerce.
<b>technical analysis</b>	(economics/foreign exchange) The analysis of past price and volume trends—often with the help of chart analysis—in a market, in order to be able to make forecasts about the future price developments of the commodity being traded. Technical exchange rate analysis is often used in professional dealing for short-term foreign exchange rate forecasts.
<b>technical barrier to trade</b>	A specification which sets forth stringent standards a product must meet (such as levels of quality, performance, safety, or dimensions) in order to be imported. A technical barrier to trade has the effect of adding to the cost of an imported article, thereby making it less competitive in the marketplace when compared to domestically produced articles.
<b>technical data</b>	Information of any kind that can be used, or adapted for use, in the design, production, manufacture, utilization, or reconstruction of articles or materials. All software is technical data. Technical data can be either "tangible" or "intangible." Models, prototypes, blueprints or operating manuals (even if stored on recording media) are examples of tangible technical data. Intangible technical data consists of technical services, such as training, oral advice, information, guidance and consulting.
<b>technology transfer</b>	The transfer of knowledge generated and developed in one place to another, where it is used to achieve some practical end. Technology may be transferred in many ways: by giving it away (technical journals, conferences, emigration of technical experts, technical assistance programs); by industrial espionage; or by sale (patents, blueprints, industrial processes, and the activities of multinational corporations).
<b>TECRO/AIT Carnet</b>	(customs) TECRO is the acronym for the Taiwan Economic and Cultural Representative Office in the United States and AIT is the acronym for the American Institute in Taiwan. TECRO/AIT Carnets are carnets issued to applicants who wish to temporarily import commercial samples and/or professional equipment to Taiwan. For further information, go to <a href="http://www.carnetonline.com">www.carnetonline.com</a> or in the U.S. call 1 (800) CARNETS. See also American Institute in Taiwan, ATA Carnet, carnet.
<b>telegraphic transfer (TT)</b>	(banking) The electronic transfer of money from one bank to another, typically at the request of customers.
<b>telephony</b>	(communications) (a) The science and technology of telecommunications. (b) The science and technology of converting voice and other audio into electrical or digital signals, which can be transmitted by wire, fiber optics or radio and reconverted to audible sound upon receipt.  Telephony ("far voice" in Greek) has entered the world of personal computers with inexpensive after market add-on boards that combine the functions of modems, sound boards, speakerphones and voice mail systems.
<b>telex</b>	(communications, obsolete) Acronym for teleprinter exchange. A printed message transmitted from and to teleprinters over public telecommunications networks. Teleprinters (popularly known as telex machines) were very large and noisy character printers that operated as electric typewriters and were fed paper from a continuous roll. Telexes have been completely obsoleted by fax machines and now by e-mail and other forms of messaging such as SWIFT (for messaging between banks).
<b>temperature controlled ground handling</b>	(air freight) Many of the commodities moving in air freight must be protected against sudden changes in temperatures. The temperature of a jet freighter's cabin is ideal to maintain perishables in peak condition; but the increase in the shipment of perishables by air required new strides in ground handling to protect cargoes from

	<p>spoilage induced by marked differences in temperatures often encountered on the ground at points of origin and destination. To meet these needs the airlines have, at some cities, special equipment and facilities ranging from heated vans to temperature controlled holding rooms in which 100,000 pounds of perishables can be held at one time.</p>
<b>temporary importation under bond (TIB)</b>	<p>(U.S. Customs) Temporary admission into the United States under a conditional bond for articles not imported for sale or for sale on approval.</p> <p>Certain classes of goods may be admitted into the United States without the payment of duty, under bond, for their exportation within one year from the date of importation when they are not imported for sale, or for sale on approval. Generally, the amount of the bond is double the estimated duties. The one-year period for exportation may, upon application to the district or port director of Customs, be extended for one or more further periods which, when added to the initial one year, shall not exceed a total of three years. There is an exception in the case of automobiles or any parts thereof which are subject to a total period of six months which may not be extended.</p> <p>Merchandise entered under TIB must be exported before expiration of the bond period, or any extension, to avoid assessment of liquidated damages in the amount of the bond.</p> <p>Classes of goods which may be entered under a TIB include a wide range of merchandise. Some examples are: (1) merchandise to be repaired or altered; (2) wearing apparel for use as samples; (3) articles imported by illustrators or photographers for use solely as models; (4) samples for use in taking orders; (5) articles solely for examination with a view to reproduction; (6) articles intended solely for testing; (7) automobiles and other motor vehicles, boats, balloons, racing shells etc. and the usual equipment of the forgoing, imported by non-residents for the purposes of taking part in races; (8) locomotives and railway equipment for use in clearing obstructions; (9) containers for holding merchandise; (10) articles of special design for temporary use in connection with the manufacture of articles for export; (11) animals brought into the United States for the purposes of breeding; (12) theatrical scenery, properties and costumes; (13) works of fine art brought in by lecturers; (14) automobiles, other motor vehicles, and parts thereof brought in for show purposes.</p> <p>Relief from Liability. Relief from liability under bond may be obtained in any case in which the articles are destroyed under Customs supervision, in lieu of exportation, within the original bond period. However, in the case of articles imported solely for testing or experimentation, destruction need not be under Customs supervision where articles are destroyed during the course of experiments or tests during the bond period or any lawful extension, but satisfactory proof of destruction shall be furnished to the district or port director with whom the customs entry was filed. See ATA Carnet; bond; in bond.</p>
<b>tender</b>	<p>(shipping) (a) A small vessel which serves a larger vessel in a port for the purpose of supplying provisions and carrying passengers from ship to shore. (b) A vessel that supplies provisions to a ship at sea.</p> <p>(law) (a) An offer or proposal submitted for acceptance. (b) A public offer to purchase a minimum number of shares of a publicly-traded stock for a fixed price per share. (c) An offer of money in satisfaction of a debt or obligation.</p>
<b>tenge</b>	<p>The currency of Kazakhstan. 1 tenge = 100 tiyn.</p>

<b>tenor</b>	(law/banking) The period between the formation of a debt and the date of expected payment.
<b>terminal</b>	(shipping) An area at the end of a rail, ship, air or truck line which serves as a loading, unloading and transfer point for cargo or passengers, and often includes storage facilities, management offices and repair facilities.
<b>terminal charge</b>	(logistics) A charge made for services performed at a terminal. Terminal charges can include those for loading, unloading, stevedores, warehousing and drayage.
<b>terminal delivery allowance</b>	(logistics) A reduction in freight charges or a reduced freight rate based upon the consignor/shipper's agreement to deliver or pick up a shipment at the carrier's terminal.
<b>terminal handling charge (THC)</b>	(shipping) Fees charged by ocean carriers (shipping lines) and paid by shippers (manufacturers, importers, exporters) for moving containers between container terminals and ships (onloading and offloading).  Traditionally, carriers combined ocean freight and terminal charges at ports in their freight rates. Since the introduction of THCs, freight rates have only covered port-to-port charges, while two separate THCs cover the cost of using container terminals at the port of origin and at the port of destination.
<b>terminal operator</b>	(logistics) The business entity responsible for the operation of a terminal and its facilities.
<b>terminal pass</b>	(logistics) A document allowing a delivering or receiving carrier to enter a terminal.
<b>terminal receipt</b>	(logistics) A document that evidences proof of delivery (for the delivering carrier) and verification of receipt (for the terminal operator) of cargo or equipment at a terminal.
<b>terms of trade</b>	(economics) The purchasing power of a country's exports in terms of the country's imports. Terms of trade are a measure of how much imports a country can purchase based upon its exports. Changes in the terms of trade are generally measured by comparing changes in the ratio of export prices to import prices. The terms of trade are considered to have improved when a given volume of exports can be exchanged for a larger volume of imports.
<b>TEU</b>	(logistics) Acronym for twenty-foot equivalent unit. (a) A standard 20-foot international ocean shipping container. (b) A measure of a shipping container's capacity using a standard 20-foot international ocean shipping container as a measuring unit. A 40-foot container is therefore equal to two TEUs. (c) A measure of a container vessel's capacity using a standard 20-foot international ocean shipping container as the measuring unit. d) A measure of a container vessel's load using a standard 20-foot international ocean shipping container as the measuring unit.
<b>theta</b>	(statistics/foreign exchange) A ratio expressing the price change of an option (i.e. the change in the premium) over a period of time (per time unit). Mathematically, this corresponds to the 1st derivative of the option premium according to the time factor.
<b>thing in action</b>	(law) A right to bring a legal action to recover personal property, money, damages, or a debt. A seller, for example, who has a right to recover payment for goods and who is not in possession of the buyer's payment has a thing in action, that is, a right to procure payment by lawsuit.
<b>Third Country Meat Directive</b>	A regulation by which the European Community (EC) controls meat imports based on sanitary requirements. The TCMD requires individual inspection and certification by EC veterinarians of meat plants wishing to export to the EC. See European Community.
<b>Third Mate (3rd Mate)</b>	(shipping) The fourth in command officer on board a ship in the merchant marine. Responsibilities include: bridge watch, plotting the ship's course, following the plot, tracking the ship, using radar, radios, maps, the safety and fire-fighting equipment, and maintaining the small boats. Third mate is the third level job of six towards becoming a captain (ordinary seaman, able-bodied seaman, third mate, second mate, chief mate, captain).

<b>third party documents</b>	(banking) In letter of credit operations, documents which indicate a party other than the beneficiary of the credit as the consignor of the goods. Banks accept third party transport documents. See transport documents; letter of credit.
<b>third party logistics (3PL)</b>	See 3PL.
<b>third world countries</b>	(economics) Developing countries, especially in Asia, Africa and Latin America, but excluding communist countries and industrial non-communist countries.
<b>third-party beneficiary</b>	(law) An individual or legal entity that benefits from, but is not a contracting party of, a contract between two or more other individuals or legal entities. A bank, for example, that loans a business owner funds to purchase specific property is a third-party beneficiary to the sales contract between the business owner and seller.
<b>third-party insurance</b>	(insurance) Liability insurance.
<b>Three Sisters</b>	(banking) Colloquial name given to the The World Bank, the International Monetary Fund (IMF) and the World Trade Organization (WTO).
<b>through bill of lading</b>	(shipping) A single bill of lading covering receipt of the cargo at the point of origin for delivery to the ultimate consignee, using two or more modes of transportation. See bill of lading; ocean bill of lading.
<b>through rate</b>	(shipping) A shipping rate applicable from point of origin to destination. A through rate may be either a joint rate or a combination of two or more rates.
<b>throughput</b>	(logistics) (a) A measure of the number of units or tonnage of shipping containers that pass through a container facility or port in a given period of time. The measure is a function of units received, units shipped and units that remain in the facility. (b) A measure of the number of units of materials or products that pass through a warehouse in a given period of time. The measure is a function of units received, units shipped and units that remain in the facility.  (computers) A measure of the processing power of a computer system based on transactions, batches or other criteria.
<b>tick</b>	See pips.
<b>tied aid credit</b>	The practice of providing grants and/or concessional loans, either alone or combined with export credits, linked to procurement from the donor country.
<b>tied loan</b>	(banking) A loan made by a government agency that requires a foreign borrower to spend the proceeds in the lender's country.
<b>timber (logger) trailer</b>	(road transportation) A platform-type truck trailer designed to carry raw timber from logging operations to sawmills (domestic or international), or to barge or oceangoing vessels for export. A logging trailer is essentially a flatbed trailer or trailer chassis with extremely rigid vertical stakes along its perimeter. Logs are held in place by the vertical stakes and with chains and chain tighteners. Trailer dimensions are dependent upon road access to the logging operation, species being harvested, sawmill requirements, distance to the sawmill or export loading center, and other factors. The standard axle configuration is 2-axle/8-wheel. For heavier loads, 3-axle/12-wheel or 4-axle/16-wheel configurations are available. Logging trailers are available in both single and tandem configurations. Options include loading cranes.
<b>time arbitrage</b>	See arbitrage, time.
<b>time definite services</b>	(logistics) A freight, cargo or courier service standard specifying or guaranteeing delivery either on a specific day or time or within a set number of days or time from receipt.

<b>time deposits</b>	(banking) Funds invested in a bank for a pre-determined time and at a specific interest rate. For large amounts, conditions can be freely negotiable (maturity, interest rate).
<b>time draft</b>	(banking) A financial instrument that is payable at a future fixed or determinable date. See bill of exchange.
<b>time value</b>	(finance) The value of an option if the intrinsic value is zero. It merely reflects possible price fluctuations of the underlying instrument, so that at a later point in time the option could achieve an intrinsic value.
<b>TIR System/TIR Carnet</b>	(logistics) Acronym for Transports Internationaux Routiers. "The TIR system has been devised to facilitate to the maximum extent the international movement of goods under Customs seals. The system provides transit countries with the required guarantees to cover the Customs duties and taxes at risk. A balance is struck between the responsibilities of the Customs authorities and those of the international trading community." Administered by the International Road Transport Union (IRU). For information, go to: <a href="http://www.iru.org">www.iru.org</a> .
<b>title</b>	(law) A document evidencing legal ownership in goods or real estate (deed). Title can also refer to non-paper documentary rights to legal possession.
<b>to order</b>	(law/banking/shipping) A term on a financial instrument or title document indicating that it is negotiable and transferable. For example, on a bill of lading "to order" means that it is negotiable and transferable by the person or entity whose name appears on the document.
<b>Tokyo Round</b>	<p>(GATT) The seventh round of multilateral negotiations concerning the General Agreement on Tariffs and Trade (GATT). Begun in 1973, it concluded November 1979, with agreements covering the following: (1) an improved legal framework for the conduct of world trade (which includes preferential tariff and non-tariff treatment in favor of, and among, developing countries as a permanent legal feature of the world trading system); (2) non-tariff measures (subsidies and countervailing measures; technical barriers to trade; government procurement; customs valuation; import licensing procedures; a revision of the 1967 GATT anti-dumping code); (3) bovine meat; (4) dairy products; (5) tropical products; and (6) an agreement on free trade in civil aircraft.</p> <p>Participating countries (99) also agreed to reduce tariffs on thousands of industrial and agricultural products. These cuts were gradually implemented over a period of eight years ending January 1, 1987. The total value of trade affected by Tokyo Round most-favored-nation (MFN) tariff reductions, and by bindings of prevailing tariff rates, amounted to more than US\$300 billion, measured on MFN imports in 1981. As a result of these cuts, the weighted average (the average tariff measured against actual trade flows) on manufactured products in the world's nine major industrial markets declined 7.0 to 4.7 percent, representing a 34 percent reduction of customs collection. This can be contrasted with the average tariff of around 40 percent at the time of GATT's establishment in the late 1940's. Since the tariff-cutting formula adopted by most industrialized countries resulted in the largest reductions generally being made in the highest duties, the customs duties of different countries were brought closer together or "harmonized."</p> <p>See General Agreement on Tariffs and Trade; trade rounds; Uruguay Round; World Trade Organization.</p>
<b>tom/next</b>	(foreign exchange) Swap transaction where the spot side becomes due on the business day following the day on which the contract was concluded and where the forward side becomes due on the day after, i.e. on the normal spot value date.
<b>ton</b>	(measure) A unit of mass or weight equal to 1.1016 metric tons, 2,240 pounds, or 1,016.06 kilograms.
<b>ton mile</b>	(shipping) The transport of one ton of cargo for one mile. Used most often in air cargo services.

<b>tonne</b>	(measure) The French spelling of "ton" used especially in the air cargo industry to denote a metric ton of 1,000 kg or 2,204.6 lbs.
<b>tonner</b>	(insurance) An insurance "policy" that set a targeted global gross shipping tonnage loss for a calendar year. If the loss was reached or exceeded, the insurance paid out. This form of "insurance" was technically unlawful, because there was no insurable interest. Policies, however, were often marked P.P.I. (Policy is Proof of Interest). Their use continued until they were banned by Lloyds of London in the 1970s. See also Chinaman.
<b>total average inventory</b>	(logistics) (a) (general) The average of total stock on hand over a specified period of time. (b) (technical) Average normal use inventory plus average lead inventory plus buffer stock inventory.
<b>total cost analysis</b>	(logistics) A systems approach to assessing the costs and interrelationships of transportation, warehousing, inventory and customer service in relation to providing logistics services.
<b>total cost of distribution</b>	(shipping) The sum total of all the costs incurred in the distribution of goods. The total cost of distribution includes such items as: (1) Transportation charges, 2) Inventory carrying costs, 3) Warehousing expenses, 4) Packaging, 5) Insurance, 6) Product obsolescence while en route or in storage, and 7) Pilferage.
<b>total loss</b>	<p>(insurance) When property is lost or destroyed, or when the assured is irretrievably deprived of their possession, or when they arrive so damaged as to cease to be a thing of the kind insured. There are two types of total loss: actual total loss and constructive total loss.</p> <p>Actual Total Loss.</p> <p>An actual total loss occurs when the goods are destroyed, when the assured is irretrievably deprived of their possession, or when the goods arrive so damaged as to cease to be a thing of the kind insured. Examples of this last, which is spoken of as a "loss of specie," are cement arriving as rock or textiles as rags.</p> <p>Adjustment of actual total losses usually involves little difficulty. The policy being a valued one, payment for total loss is in the full amount of the policy. Disasters likely to give rise to total loss include fire, sinking, or stranding of the vessel, collision, and loss overboard in the course of loading or discharge.</p> <p>Constructive Total Loss.</p> <p>A constructive total loss occurs when the expense of recovering or repairing the goods would exceed their value after this expenditure had been incurred.</p> <p>In the adjustment of constructive total losses, the value of any remaining salvage abandoned to underwriters may at time, by agreement, be taken into consideration, with payment to the assured upon a net basis. Otherwise, underwriters pay full insured value and may then dispose of the salvage for their own account, provided they have elected to accept abandonment.</p> <p>A survey report may not be practicable when a total loss has taken place, but claim documents should include evidence that the shipment was actually loaded on board the ocean vessel in the full quantity claimed. If the loss was due to sea peril, a "master's protest" will usually be required. This certifies the fact that unusually heavy weather or</p>

	other exceptional circumstance was encountered during the voyage and is extended to confirm the loss of the shipment in question. In claims for total loss, it is especially necessary that a full set of insurance certificates and bills of lading be submitted to the insurance company representative
<b>trace</b>	(logistics) To obtain information about the whereabouts of cargo, equipment or a container by researching its movements from its point of origin or from its last known location.
<b>tracer</b>	(shipping) (a) A request upon a transportation line to trace a shipment for the purpose of expediting its movement or establishing delivery;  (general/banking) (b) A request for an answer to a communication, or for advice concerning the status of a subject.
<b>track</b>	(logistics) (a) A pair of parallel rails providing a runway for trains. (b) To research the movement of a shipment of cargo, equipment or a container (full or empty) from its point of origin to its final delivery point. (c) To maintain current status information on a shipment of cargo, or container (full or empty) at every stage of the shipping process. The most modern tracking systems using "smart container" technology are able to identify the exact location of a shipment anywhere in the world at any time.
<b>tracking; tracing</b>	(shipping) A carrier's system of recording movement intervals of shipments from origin to destination.
<b>tractor</b>	(shipping) A vehicle with four or more wheels designed and used primarily for drawing other vehicles such as a trailer or semitrailer and not designed to carry a load itself other than part of the weight of the vehicle and load being drawn. Truck tractors come in many configurations. Short-haul tractors, designed for local deliveries typically have from four to six wheels and a short wheelbase. Long-haul tractors typically have six to ten wheels, a longer wheelbase, and even sleeping and toilet facilities for drivers.
<b>Trade Act of 1974</b>	(U.S. law) Legislation enacted late in 1974 and signed into law in January 1975, granting the president broad authority to enter into international agreements to reduce import barriers. Major purposes were to: (1) stimulate U.S. economic growth and to maintain and enlarge foreign markets for the products of U.S. agriculture, industry, mining and commerce; (2) strengthen economic relations with other countries through open and non-discriminatory trading practices; (3) protect American industry and workers against unfair or injurious import competition; and (4) provide "adjustment assistance" to industries, workers and communities injured or threatened by increased imports. The Act allowed the president to extend tariff preferences to certain imports from developing countries and set conditions under which Most-Favored-Nation Treatment could be extended to non-market economy countries and provided negotiating authority for the Tokyo Round of multilateral trade negotiations. See trade adjustment assistance; most favored nation; Tokyo Round.
<b>Trade Act of 2002</b>	(U.S. law) Legislation enacted by the U.S. Congress dealing with a number of trade issues. Highlights:  Extends and expands Trade Adjustment Assistance to U.S. workers, firms and farmers adversely affected by trade.  Authorizes fiscal year 2003 and 2004 appropriations for the U.S. Customs and Border Protection.  Special provisions for antiterrorist and narcotics interdiction.  Provisions for the examination of mail sent out of the U.S. without a search warrant.

	<p>Requires advance transmission of electronic cargo information to the U.S. Customs and Border Protection. (The so-called 24-Hour Rule.)</p> <p>Gives the President certain authority to negotiate trade pacts.</p> <p>Renews and enhances the benefits available to Bolivia, Ecuador, Colombia and Peru under the Andean Trade Preference Act (ATPA).</p> <p>Expands the benefits, and clarifies the provisions of, the Caribbean Basin Economic Recovery Act (CBERA) and the African Growth and Opportunity Act (AGOA).</p> <p>Renews and extends the Generalized System of Preferences (GSP) program to December 31, 2006.</p> <p>Establishes a fund for payments to the World Trade Organization (WTO) in settlement of disputes.</p> <p>Links to the full text of the Trade Act of 2002 can be found at: <a href="http://www.doleta.gov/tradeact/directives.cfm">www.doleta.gov/tradeact/directives.cfm</a>.</p>
<p><b>trade adjustment assistance (TAA)</b></p>	<p>(U.S.) TAA for firms and workers is authorized by the 1974 Trade Act. TAA for firms is administered by the U.S. Department of Commerce; TAA for workers is administered by the U.S. Department of Labor.</p> <p>Eligible firms must show that increased imports of articles like or directly competitive with those produced by the firm contributed importantly to declines in its sales and/or production and to the separation or threat of separation of a significant portion of the firm's workers. These firms receive help through Trade Adjustment Assistance Centers (TAACs), primarily in implementing adjustment strategies in production, marketing, and management.</p> <p>Eligible workers must be associated with a firm whose sales or production have decreased absolutely due to increases in like or directly competitive imported products resulting in total or partial separation of the employee and the decline in the firm's sales or production. Assistance includes training, job search and relocation allowances, plus reemployment services for workers adversely affected by the increased imports. Web: <a href="http://www.taacenters.org">www.taacenters.org</a>.</p> <p>See United States Department of Commerce; United States Department of Labor.</p>
<p><b>Trade Agreements Act of 1979</b></p>	<p>(U.S.) Legislation authorizing the U.S. to implement trade agreements dealing with non-tariff barriers negotiated during the Tokyo Round of the General Agreement on Tariffs and Trade (GATT), including agreements that required changes in existing U.S. laws, and certain concessions that had not been explicitly authorized by the Trade Act of 1974. The Act incorporated into U.S. law the Tokyo Round (GATT) agreements on dumping, customs valuation, import licensing procedures, government procurement practices, product standards, civil aircraft, meat and dairy products, and liquor duties. The Act also extended the president's authority to negotiate trade agreements with foreign countries to reduce or eliminate non-tariff barriers to trade. See General Agreement on Tariffs and Trade; Tokyo Round.</p>
<p><b>Trade and Development Agency (TDA)</b></p>	<p>(U.S.) Initially started as the Trade and Development Program within the Agency for International Development, the TDA was spun off as an independent agency in 1981. TDA offers tied aid and resembles Japan's tied aid funding.</p>

	The program provides project planning funding only for projects that are priorities of the host country and present a good opportunity for sales of U.S. goods and services. Contact: U.S. Trade and Development Agency; 1000 Wilson Boulevard, Suite 1600; Arlington, VA 22209-3901 USA; Tel: [1] (703) 875-4357; Fax: [1] (703) 875-4009; E-mail form at: <a href="http://www.ustda.gov/about/contactform.asp">www.ustda.gov/about/contactform.asp</a> ; Web: <a href="http://www.ustda.gov">www.ustda.gov</a> .
<b>trade balance</b>	See current balance; balance of payments.
<b>trade barriers</b>	Any one or group of tariff or non-tariff barriers to trade often classified into eight general categories: 1) import policies (tariffs and other import charges, quantitative restrictions, import licensing, and customs barriers); 2) standards, testing, labeling, and certification; 3) government procurement; 4) export subsidies; 5) lack of intellectual property protection; 6) service barriers; 7) investment barriers; and 8) other barriers (e.g., barriers encompassing more than one category or barriers affecting a single sector). See technical barrier to trade; tariff; quota.
<b>trade concordance</b>	Trade concordance refers to the matching of Harmonized System (HS) codes to larger statistical definitions, such as the Standard Industrial Classification (SIC) code and the Standard International Trade Classification (SITC) system. The U.S. Bureau of the Census, the United Nations, as well as individual U.S. Federal and private organizations, maintain trade concordances for the purpose of relating trade and production data. See Harmonized System.
<b>trade credit</b>	(commerce) (a) Credit extended to a customer (e.g., a businesses, a government or government agency, non-profit organization or individual) for the sale of goods or services. (b) Credit extended by one government to another for the purchase of exports. (c) The accounts receivable and/or trade acceptances of a business purchased by a bank or financial institution, at a discount for immediate payment.
<b>trade deficit</b>	(economics) A nation's excess of imports over exports over a period of time.
<b>trade event</b>	A promotional activity that may include a demonstration of products or services and brings together in one viewing area the principals in the purchase and sale of the products or services. As a generic term, trade events may include trade fairs, trade missions, trade shows, catalog shows, matchmaker events, foreign buyer missions, and similar functions.
<b>Trade Expansion Act of 1962</b>	(U.S. law) The Act provided authority for U.S. participation in the Kennedy Round of the General Agreement on Tariffs and Trade (GATT). The legislation granted the president general authority to negotiate, on a reciprocal basis, reductions of up to 50 percent in U.S. tariffs. The Act explicitly eliminated the "Peril Point" provision that had limited U.S. negotiating positions in earlier GATT Rounds, and instead called on the Tariff Commission, the U.S. International Trade Commission, and other federal agencies to provide information regarding the probable economic effects of specific tariff concessions. This Act superseded the Trade Agreements Act of 1934, as amended. See General Agreement on Tariffs and Trade; peril point.
<b>trade fair</b>	A stage-setting event in which firms of several nationalities present their products or services to prospective customers in a pre-formatted setting (usually a booth of a certain size which is located adjacent to other potential suppliers). A distinguishing factor between trade fairs and trade shows is size. A trade fair is generally viewed as having a larger number of participants than other trade events, or as an event bringing together related industries.
<b>Trade Fair Certification Program</b>	(U.S.) The U.S. Department of Commerce Trade Fair Certification program was started in 1983 to promote selected privately organized trade shows. The program helps private sector organizations in mounting certified international fairs. The Department of Commerce assistance includes promoting the fair among foreign customers and helping exhibitors to make commercial contacts. See United States Department of Commerce.

<b>Trade Information Center</b>	(U.S.) A U.S. government one-stop source for information on Federal programs to assist U.S. exporters. Contact: Trade Information Center; Tel: [1] (800) USA-TRADE; Fax: [1] (202) 482-4473; Email: tic@ita.doc.gov; Web: www.export.gov.
<b>trade lane</b>	(logistics) A carrier route between a point of origin and a point of destination.
<b>trade loss</b>	(insurance) The ordinary and unavoidable loss of weight during a shipment that is considered normal to a particular trade. For example, loss caused by evaporation in ore shipments. May also include shortages due to other causes which are considered normal and unavoidable. These losses are generally uninsurable as underwriters will usually apply a deductible equal to, or exceeding, the expected loss percentage, in order to avoid paying inevitable losses.
<b>trade mission</b>	<p>Generically, a trade mission is composed of individuals who are taken as a group to meet with prospective customers overseas. Missions visit specific individuals or places with no specific stage setting other than appointments. Appointments are made with government and/or commercial customers, or with individuals who may be a stepping stone to customers.</p> <p>(U.S.) International Trade Administration (ITA) trade missions are scheduled in selected countries to help participants find local agents, representatives, and distributors, to make direct sales, or to conduct market assessments. Some missions include technical seminars to support sales of sophisticated products and technology in specific markets. ITA missions include planning and publicity, appointments with qualified contacts and with government officials, market briefings and background information on contacts, as well as logistical support and interpreter service. Trade missions also are frequently organized by other Federal, State, or local agencies.</p>
<b>trade name</b>	(law) The name under which an organization conducts business, or by which the business or its goods and services are identified. It may or may not be registered as a trademark.
<b>Trade Negotiations Committee</b>	(WTO/GATT) The steering group that historically has managed the GATT and WTO trade negotiation rounds. For information on the Trade Negotiations Committee for the 9th (current) round of negotiations, go to the WTO's Web site at Web: <a href="http://www.wto.org/english/tratop_e/dda_e/tnc_e.htm">www.wto.org/english/tratop_e/dda_e/tnc_e.htm</a> . See rounds (of trade negotiations), General Agreement on Tariffs and Trade, World Trade Organization.
<b>Trade Opportunities Program (TOP)</b>	(U.S.) An International Trade Administration service which provides sales leads from overseas firms seeking to buy or represent U.S. products and services. Through overseas channels, U.S. foreign commercial officers gather leads and details, including specifications, quantities, end use, and delivery deadlines.
<b>Trade Policy Committee (TPC)</b>	(U.S.) A cabinet-level, interagency trade committee established by the Trade Expansion Act of 1962 (chaired by the U.S. Trade Representative) to provide broad guidance on trade issues. Members include the Secretaries of Commerce, State, Treasury, Agriculture, and Labor. The Committee was renewed by an Executive Order at the end of the Carter Administration. Toward the end of the first Reagan Administration, with much dissension over Japan policy between the TPC, the Senior Interagency Group (chaired by Treasury), and the other groups, the White House created the Economic Policy Council (EPC) in 1985 as a single forum to reduce tensions. See Economic Policy Council.
<b>Trade Policy Review Mechanism</b>	The TPRM was created at the General Agreement on Tariffs and Trade (GATT) Uruguay Round mid-term ministerial meeting in Montreal. Under the TPRM, the trade policies of any GATT contracting party were subject to regularly scheduled review by the GATT Council. Reviews led to recommendations on ways to improve a contracting party's trade policies. See General Agreements on Tariffs and Trade; Uruguay Round.

<b>Trade Promotion Coordinating Committee</b>	(U.S.) The president established the TPCC in May 1990 to unify and streamline the government's decentralized approach to export promotion. TPCC members include Departments of Commerce (as chair), State, Treasury, Agriculture, Defense, Energy, and Transportation, the Office of Management and Budget, the U.S. Trade Representative, the Council of Economic Advisers, Eximbank, the Overseas Private Investment Corporation, the U.S. Information Agency, the Agency for International Development, the Trade and Development Program, and the Small Business Administration. The TPCC chair office is at the U.S. Department of Commerce. 19 agencies are on the committee. The Trade Information Center was created as one of the main missions of the TPCC. The TPCC is not a body which would be contacted by the general public. If you have questions about what they do, or how it works, call [1] (800) 872-87233.
<b>trade rounds</b>	(economics/trade) Cycles of multilateral trade negotiations under the General Agreement on Tariffs and Trade (GATT) and the successor World Trade Organization (WTO), culminating in simultaneous agreements among participating countries to reduce tariff and non-tariff trade barriers. Negotiations are held in "rounds" originally named for the location of the negotiations. See Trade Rounds table on following page. See also Doha Round; General Agreement on Tariffs and Trade; Tokyo Round; Uruguay Round; World Trade Organization.
<b>trade show</b>	A trade show is a stage-setting event in which firms present their products or services to prospective customers in a pre-formatted setting (usually a booth of a certain size which is located adjacent to other potential suppliers). The firms are generally in the same industry but not necessarily of the same nationality. A distinguishing factor between trade fairs and trade shows is size. A trade show is generally viewed as a smaller assembly of participants.
<b>Trade Support Network (TSN)</b>	(U.S. Customs) A group started in 1994 by the then U.S. Customs Service (now the U.S. Customs and Border Protection) to provide a forum for the discussion of significant Customs-related redesign efforts. There are over 150 members of the TSN that represent various segments of the trade community, including trade associations, importers, brokers, carriers, sureties and others. The Network has a number of committees and sub-committees whose purpose is to identify legal, procedural or systems issues and priorities specific to the business area and to submit user requirements where appropriate. For more information, go to: <a href="http://www.cbp.gov">www.cbp.gov</a> .
<b>trade surplus</b>	(economics) A nation's excess of exports over imports over a period of time.
<b>Trade Tariff Act of 1930</b>	(U.S. law) U.S. statutes originally enacted in 1930 and amended periodically that impose duties payable for the importation of articles into the United States and that contain schedules of the duties for specific merchandise. The Act is found at 19 United States Code, sections 1202, et seq.
<b>trade terms</b>	(a) The terms of a sale. The setting of responsibilities of the buyer and seller in a sale, including: sale price, responsibility for shipping, insurance and customs duties. (b) One of the several recognized sets of definitions of trade terms. The most widely used trade terms are Incoterms 2010, which are published by the International Chamber of Commerce, which have replaced the now obsolete Revised American Foreign Trade Definitions. See Incoterms 2010; International Chamber of Commerce.
<b>trade-related aspects of intellectual property rights (TRIPs)</b>	(WTO) TRIPs refers to intellectual property rights objectives in the General Agreement on Tariffs and Trade (GATT) Uruguay Round and the successor World Trade Organization (WTO). These objectives include achieving a comprehensive agreement that would include: (1) substantive standards of protection for all areas of intellectual property (patents, trademarks, copyrights, etc.); (2) effective enforcement measures (both at the border and internally); and (3) effective dispute settlement provisions. See Uruguay Round, World Trade Organization.

<b>trade-weighted revaluation rate</b>	(foreign exchange) The change in value of a currency is ascertained in terms of an index against a basket of currencies. The make-up of the currencies in the basket and their weighting are determined according to the percentage of exports of the country whose currency is to be valued with its trading partners.
<b>trademark / service mark</b>	<p>(law) An intangible right granted by law to an individual, business, or other legal entity for a word, name, symbol, or design, or a combination of these elements, used, or intended to be used, to identify and distinguish the goods of one manufacturer or seller from goods manufactured or sold by others, and to indicate the source of the goods.</p> <p>A service mark is any word, name, symbol, design, or a combination of these elements, used, or intended to be used, to identify and distinguish the services of one provider from the services provided by others, and to indicate the source of the services.</p> <p>Trademark protection varies from country to country, and may not be available in some jurisdictions. If trademark protection is available under the laws of a particular country, a trademark may usually be registered only if it is distinguishable from other registered trademarks and if it contains a name, brand, label, signature, word, letter, numeral, device, or any combination of these items. A country that is a member the Paris Convention for the Protection of Industrial Property may recognize trademarks held in other jurisdictions.</p> <p>Trademarks are registered on a country-by-country basis and are subject to different country laws and regulations regarding registration and use. In general, trademarks, unlike patents, can be renewed forever as long as they are being used in commerce.</p> <p>Trademarks and service marks are designated by the following symbols:</p> <p>TM (TM in superscript) Used to identify an unregistered trademark. A mark used to promote or brand goods.</p> <p>SM (SM in superscript) Used to identify an unregistered service mark. A mark used to promote or brand services.</p> <p>© (R in a circle in superscript) Used to identify a registered trademark. A mark used to promote or brand goods or services.</p> <p>(U.S.) Organizations that file an application at the U.S. Patent Office and use the brand for five years may be granted a trademark. A firm may lose a trademark that has become generic. Generic names are those which consumers use to identify the product, rather than to specify a particular brand (e.g., escalator, aspirin and nylon).</p> <p>In the U.S., the national trademark registration agency is the U.S. Patent and Trademark Office, Washington, DC USA, Tel: [1] (800) 786-9199 (toll-free); [1] (571) 272-1000, Web: <a href="http://www.uspto.gov">www.uspto.gov</a>.</p> <p>In the European Union, the trademark registration agency is OHIM, The Trade Marks and Designs Registration Office of the European Union, Alicante, Spain, Tel: [34] 96 513 9100, Web: <a href="http://oami.europa.eu/ows/rw/pages/index.en.do">http://oami.europa.eu/ows/rw/pages/index.en.do</a>.</p>

	See Berne Convention, copyright; service mark; patent; World Intellectual Property Organization; Patent Cooperation Treaty.
<b>tradeoffs</b>	(shipping) Interaction between related activities such as the offsetting of higher costs in one area with reduced costs or other benefits in another. In air freight, for example, the classic "tradeoff" is one of time (quick delivery) versus money (greater expense).
<b>traffic</b>	(logistics) The aggregate of passengers or conveyances (e.g., automobiles, ships, trains, trucks, etc.) coming and going in a geographic area (e.g., street, port, station, truck terminal) during a set period of time (e.g., hour, day, month, year).  (commerce) The buying and selling of a commodity, especially an illicit drug or product.  (data communications) The aggregate of activity on a given communications system (e.g., telephone trunk line, Internet) during a set period of time.
<b>trailer</b>	(logistics/trucking) A non-motorized cargo vehicle supported by wheels at each of four corners and designed to be drawn by a motorized vehicle such as a tractor. See semitrailer, tractor.
<b>trailer on flatcar (TOFC)</b>	(logistics/trucking/rail transport) A truck trailer or semitrailer transported on a rail flatcar. This is a multi-modal form of transportation often used when the rail leg of the route is less costly than transportation by roadway. Also called piggyback. See trailer.
<b>tramp line</b>	(shipping) A transportation line operating tramp steamers.
<b>tramp steamer</b>	(shipping) A steamship which does not operate under any regular schedule from one port to another, but calls at any port where cargo may be obtained.
<b>Trans-Pacific Stabilization Agreement (TSA)</b>	(logistics) An organization of twelve ocean freight carriers controlling approximately 85 percent of Pacific Ocean freight trade who seek a platform for discussing and sharing mutual concerns. The TSA is not in itself a conference and does not publish rates. The TSA enjoys antitrust immunity although the U.S. Ocean Shipping Reform Act (OSRA) of 1998 has curtailed a significant amount of the group's influence. The TSA consists of the Japan-United States Eastbound Freight Conference (JUSEFC), the Asia North America Eastbound Freight Rate Agreement (ANAERA) and four major non-conference carriers. The twelve members are: APL, Mark Island, NYK, P&O, Hapag-Lloyd, Hyundai, Hanjin, Evergreen, Yang Ming, Orient Overseas Container Lines (OOCL), Cosco and MOL (Mitsui OSK Lines).
<b>transaction</b>	(a) The smallest unit of a business activity. An individual business event. (b) The interaction between a buyer and a seller for the sale of a product or service.
<b>transaction value</b>	Customs officers are required by law to determine the value of imported merchandise. Valuation is necessary for statistical purposes as well as to determine the amount of import duty which must be paid if the duty rate is stated as a percentage of value (ad valorem duty).  Article VII of the General Agreement on Tariffs and Trade ("GATT") in the 1994 WTO agreement outlines methodology for Customs Valuation: <a href="https://www.cbsa-asfc.gc.ca/publications/dm-md/d13/d13-2-4-eng.html">https://www.cbsa-asfc.gc.ca/publications/dm-md/d13/d13-2-4-eng.html</a>  (general) The price actually paid or payable for merchandise.

	<ul style="list-style-type: none"> <li>• The transaction value of imported merchandise is the price actually paid or payable for the merchandise when sold for exportation to the United States, plus amounts for the following items if not included in the price: <ol style="list-style-type: none"> <li>(1) The packing costs incurred by the buyer.</li> <li>(2) Any selling commission incurred by the buyer,</li> <li>(3) The value of any assist,</li> <li>(4) Any royalty or license fee that the buyer is required to pay as a condition of the sale, and</li> <li>(5) The proceeds, accruing to the seller, of any subsequent resale, disposal, or use of the imported merchandise.</li> </ol> <p>The amounts for the above items are added only to the extent that each is not included in the price actually paid or payable and information is available to establish the accuracy of the amount. If sufficient information is not available, then the transaction value cannot be determined and the next basis of value, in order of precedence, must be considered for appraisalment.</p> <p>If the transaction value cannot be used, then certain secondary bases are considered. The secondary bases of value, listed in order of precedence for use, are:</p> <ul style="list-style-type: none"> <li>• Method 1      Transaction Value</li> <li>• Method 2      Transaction Value of Identical Goods</li> <li>• Method 3      Transaction Value of Similar Goods</li> <li>• Method 4      Deductive Value</li> <li>• Method 5      Computed Method</li> <li>• Method 6      Fallback Method</li> </ul> <p>The order of precedence of the Methods 4 &amp; 5 can be reversed if the importer so requests and Customs officer approves.</p> <p>See valuation; identical merchandise; similar merchandise; computed value; deductive value; assist.</p> </li> </ul>
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**transfer of technology**

The movement of modern or scientific methods of production or distribution from one enterprise, institution or country to another, as through foreign investment, international trade licensing of patent rights, technical assistance or training.

<b>transfer pricing</b>	<p>(law/customs/taxation) (a) The setting of prices for products and services between units, subsidiaries, divisions or affiliates of the same organization. For example, a manufacturing company may establish special (lower) prices for products sold to a wholly-owned foreign subsidiary than to a non-owned foreign distributor. (b) The practice of adjusting prices for products and services within units, subsidiaries, divisions or affiliates of the same organization to take advantage of different tax rates in different countries. For example, transfers (sales) to an affiliate in a high-tax country for a high price and transfers to an affiliate in a low-tax country for a low price. The result is to transfer the organization's profits to low-tax countries for overall tax savings.</p> <p>In 2010 it was reported that Google uses techniques called the "Double Irish" and "Dutch Sandwich" to reduce its corporate income tax to 2.4%, by funnelling its corporate income through Ireland and from there to a shell in the Netherlands where it can be transferred to Bermuda, which has no corporate income tax See transfer pricing.</p>
<b>transfer risk</b>	(banking) Currency measures of foreign governments which make it impossible for the debtor to allocate and transfer foreign exchange abroad. Transfer risks can be covered through use of bank guarantees, confirmed letters of credits, export credit agencies, etc.
<b>transferable letter of credit</b>	<p>(banking) A letter of credit where the beneficiary specified in the credit has the option of instructing his bank to transfer the credit fully or in part to another beneficiary.</p> <p>A letter of credit can only be transferred if it is expressly designated as "transferable" by the issuing bank. This type of letter of credit enables intermediaries (first beneficiaries) to offer security in the form of a letter of credit to their suppliers (second beneficiaries). See letter of credit.</p>
<b>transfers (mail, wire, cable)</b>	(banking) Transfers are the remittance of money by a bank to be paid to a party in another town or city. If the instruction to pay such funds is transmitted by regular mail, the term "mail transfer" is used. Wire transfer is used to designate a transfer of funds from one point to another by wire or telegraph. Cable transfer is used to designate a transfer of funds to a city or town located outside the United States by cable. Commissions or fees are charged for all typed of transfers. When transfers are made by wire or cable, the cost of transmitting the instructions to pay by wire or cable is charged to the remitter in addition to the commission.
<b>transit</b>	<p>(logistics) (From the Latin "to go across.")</p> <p>(a) A journey from one place to another. (b) To make a passage (journey) by ocean vessel. (c) A facility for the movement of passengers or cargo. (d) Local passenger service on established routes provided to the public in urban areas by bus or light rail and with published fares.</p>
<b>Transit Air Cargo Manifest</b>	(shipping-U.S.) Procedures under which air cargo imports move through a gateway city to the city of final U.S. Customs destination for the collection of duty and other import processing, thereby expediting shipment movements, reducing gateway congestion, and saving expense for importers, U.S. Customs and Border Protection and the airlines.
<b>transit cargo</b>	(logistics) Cargo that arrives and departs from the same transit point. The term is usually applied to air cargo that arrives and departs on the same flight. Inbound transit cargo may or may not clear customs at the transit point.
<b>transit zone</b>	(shipping) A port of entry in a coastal country that is established as a storage and distribution center for the convenience of a neighboring country lacking adequate port facilities or access to the sea. A zone is administered so that goods in transit to and from the neighboring country are not subject to the customs duties, import controls or

	many of the entry and exit formalities of the host country. A transit zone is a more limited facility than a free trade zone or a free port.
<b>transloading</b>	(shipping/logistics) The process of transferring a shipment from one mode of transportation to another. For example, in multi-modal shipments, transloading occurs when a shipment is transferred from a train to an ocean-going vessel. Also used to describe the process of transferring cargo from domestic to international shipping containers. See also transshipment.
<b>transmittal letter</b>	(shipping) A list of the particulars of a shipment and a record of the documents being transmitted together with instructions for disposition of documents. Any special instructions are also included.
<b>transnational (multinational) corporation</b>	A business whose operations include supplier and sales networks that cross national borders.
<b>transparency</b>	The extent to which laws, regulations, agreements, and practices affecting international trade are open, clear, measurable, and verifiable.  (GATT/WTO) Some of the codes of conduct negotiated during the Tokyo Round of the General Agreement on Tariff and Trade sought to increase the transparency of non-tariff barriers that impede trade. See General Agreement on Tariff and Trade, Transparency International, World Trade Organization.
<b>Transparency International</b>	A non-profit, non-governmental organization dedicated to counter corrupt international business and government practices. The organization's stated concerns include: 1) humanitarian, as corruption undermines and distorts development and leads to increasing levels of human rights abuse, 2) democratic, as corruption undermines democracies and in particular the achievements of many developing countries and countries in transition, 3) ethical, as corruption undermines a society's integrity, and 4) practical, as corruption distorts the operations of markets and deprives ordinary people of the benefits which should flow from them. The organization is headquartered in Germany and has chapter offices around the world. Transparency International, Alt Moabit 96, 10559 Berlin, Germany; Tel: [49] (30) 343-820-0; Fax: [49] (30) 3470-3912; Web: www.transparency.org.
<b>transport documents</b>	(shipping) All types of documents evidencing acceptance, receipt and shipment of goods. Examples: bill of lading; ocean bill of lading; air waybill; rail waybill; dock receipt; etc.
<b>transportation and exportation entry</b>	(U.S. Customs) Customs entry used when merchandise arrives in the U.S. and is destined for a foreign country. Under a transportation and exportation entry, merchandise may be transported in bond through U.S. territory. For example, a transportation and exportation entry would be used for merchandise destined for Canada, arriving in Seattle, from Japan. See entry; in bond.
<b>transship (transshipment)</b>	(shipping/logistics) The shipment of freight to an intermediate destination, and from there to another destination. See also transloading.  (economics/commerce) The transfer of merchandise from the country-of-origin to an intermediary country prior to shipment to the destination country for purposes of 1) achieving a lower transport cost, 2) legally or illegally achieving new country of origin status for the merchandise or 3) circumventing the foreign trade policies of the country of origin or the country of destination.
<b>Travel Advisories/Warnings</b>	(U.S.) Reports by the U.S. Department of State to inform traveling U.S. citizens of conditions abroad which may affect them adversely. Travel advisories are generally about physical dangers, unexpected arrests or detention,

	serious health hazards, and other conditions abroad with serious consequences for traveling U.S. citizens. Travel advisories are available at any of the U.S. passport agencies, field offices of the U.S. Department of Commerce and U.S. Embassies and consulates abroad. They are also available at the Bureau of Consular Affairs, Room 4811, N.S., U.S. Department of State, Washington, DC 20520 USA; Web: <a href="http://travel.state.gov/travel/cis_pa_tw/tw/tw_1764.html">http://travel.state.gov/travel/cis_pa_tw/tw/tw_1764.html</a> .
<b>Travel Industry Association of America (TIA)</b>	Organizer of the International POW WOW. Contact: Travel Industry Association of America, 2 Lafayette Center, 1100 New York Ave. NW, Suite 450, Washington, DC 20005-3934 USA; Tel: [1] (202) 408-8422; Web: <a href="http://www.ustravel.org">www.ustravel.org</a> . See International POW WOW.
<b>travel mission</b>	See trade mission.
<b>traveler</b>	(U.S.) A traveler is a person who stays for a period of less than 1 year in a country of which he or she is not a resident. Military and other government personnel and their dependents stationed outside their country of residence are not considered travelers, regardless of the length of their stay abroad; they are considered to have remained within the economy of their home country. The definition of travelers also excludes owners or employees of business enterprises who temporarily work abroad in order to further the enterprise's business, but intend to return to their country of residence within a reasonable period of time.
<b>traveler's checks</b>	(banking) A form of check especially designed for travelers, including persons on vacation and business trips. These checks are usually preprinted in denominations of US\$10, 20, 50, and 100, as well as in other currencies such as the Euro and British pounds Sterling. They can be cashed and used to purchase goods and services at businesses that accept them.
<b>traveler's letter of credit</b>	(banking) A letter of credit issued by a bank to a customer preparing for an extended trip. The customer pays for the letter of credit, which is issued for a specified period of time in the amount purchased. The bank furnishes a list of correspondent banks or its own foreign branches at which drafts drawn against the letter of credit will be honored. See letter of credit.
<b>Treaty of Fusion</b>	See European Community.
<b>Treaty of Rome</b>	The 1957 Treaty of Rome was intended to create a single market for the European Community, with free movement of goods, persons, services, and capital. Article 30 of the Treaty prohibited not only quantitative restrictions on imports but also all measures having an equivalent effect. See European Community.
<b>tri-temp</b>	(shipping) A container that can maintain three exact temperature zones in difference compartments simultaneously.
<b>triangular trade</b>	(trade) Trade between three countries, in which an attempt is made to create a favorable balance for each.
<b>trigger price mechanism</b>	(U.S.) System for monitoring imported goods (particularly steel) to identify imports that are possibly being "dumped" in the United States or subsidized by the governments of exporting countries. The minimum price under this system is based on the estimated landed cost at a U.S. port of entry of the product produced by the world's most efficient producers.  Imported products entering the United States below that price may "trigger" formal anti-dumping investigations by the Department of Commerce and the U.S. International Trade Commission. The TPM was first used to protect the U.S. steel industry and was in effect between early 1978 and March 1980. It was reinstated in October 1980 and suspended for all products except for stainless steel wire in January 1982. See dumping.

<b>tropical products</b>	Traditionally, agricultural goods of export interest to developing countries in the tropical zones of Africa, Latin America, and East Asia (coffee, tea, spices, bananas, and tropical hardwoods).
<b>truck bill of lading</b>	(logistics) A non-negotiable bill of lading used for domestic shipments by truck. This bill of lading is issued in either a short or long form but with freight rates and charges not shown. Any party may sign to verify receipt of goods unless the bill is marked as "signature service," which requires that the party named by the shipper sign to confirm delivery of goods. See bill of lading.
<b>truck load</b>	A shipment of cargo that fills a given truck either by bulk or maximum weight.
<b>truck/air service</b>	(shipping) The surface movement of air freight to and from airports and origin and destination points beyond the terminal area of pickup and delivery service. A directory listing cities served is available through your local airline office.
<b>truckload (TL) carrier</b>	(logistics/trucking) A trucking company that specializes in hauling a trailer load or more of freight at a time for individual shippers, typically delivering to a final destination location directly rather than to a terminal. Compare to an LTL (less than truckload) carrier that carries consolidated cargo for a number of shippers on the same truck and typically delivers the entire load to a terminal before making individual deliveries.
<b>trust bank (shintaku ginko)</b>	(banking-Japan) Japanese bank involved in both lending and money management.
<b>trust receipt</b>	(banking) A declaration by a client to a bank that ownership in goods released by the bank are retained by the bank, and that the client has received the goods in trust only.  Release of merchandise by a bank to a buyer in which the bank retains title to the merchandise. The buyer, who obtains the goods for manufacturing or sales purposes, is obligated to maintain the goods (or the proceeds from their sale) distinct from the remainder of his/her assets and to hold them ready for repossession by the bank.  Trust receipts are used under letters of credit or collections so that the buyer may receive the goods before paying the issuing bank or collecting bank. See documentary collection; letter of credit.
<b>tugrik</b>	The currency of Mongolia. Tugrik 1=100 mongos.
<b>turnkey</b>	A method of construction whereby the contractor assumes total responsibility from design through completion of the project (and then hands over the "key" to the owner).
<b>turnkey contract</b>	An agreement under which a builder agrees to complete a facility so that it is ready for use when delivered to the other contracting party. A contractor may agree, for example, to build a fully equipped and operational factory under a turnkey contract. The responsibility of the contractor ends when he hands the completed installation over to the client.
<b>turns</b>	(logistics) The rate at which inventory moves through a defined cycle, usually expressed as the number of inventory turns per year. Other examples: the speed at which inventory is sold in a retail or distribution environment; the speed at which inventory moves through the entire supply chain; the speed at which inventory moves from a receiving dock to the shipping dock.
<b>twenty-foot equivalent unit</b>	See TEU.
<b>two-tier market</b>	(foreign exchange) An exchange rate regime which normally insulates a country from the balance of payments effects of capital flows while it maintains a stable exchange rate for current account transactions. Capital transactions are normally required to pass through a "financial" market while current transactions go through an "official" market,

	though other arrangements are possible. Examples are found in Belgium and the United Kingdom, though France and Italy have experimented with such systems.
<b>tying arrangement</b>	(law) A condition that a seller imposes on a buyer, requiring that if the buyer desires to purchase one product (tying product), the buyer must also agree to purchase another product (tied product), which the buyer may or may not want. The laws of some countries prohibit certain tying arrangements.
<b>U.S. person</b>	Any person who is a citizen or national of the United States and any form of business enterprise or entity organized, chartered or incorporated under the laws of the United States or its possessions and trust territories.
<b>UCP</b>	(banking) Acronym for the Uniform Customs and Practice for Documentary (Letters of) Credit. See Uniform Customs and Practice.
<b>ud</b>	(shipping) Abbreviation for upper deck.
<b>UL</b>	See Underwriters Laboratories, Inc.
<b>ULD</b>	See unit load device.
<b>ultimate beneficial owner (UBO)</b>	(U.S.) The UBO of a U.S. affiliate is that person, proceeding up the affiliate's ownership chain beginning with and including the foreign parent, that is not owned more than 50 percent by another person. The UBO consists of only the ultimate owner, other affiliated persons are excluded. If the foreign parent is not owned more than 50 percent by another person, the foreign parent and the UBO are the same. A UBO, unlike a foreign parent, may be a U.S. person.
<b>ultimate consignee</b>	(shipping) The person who is the true party in interest, receiving goods for the designated end-use.
<b>ultimo day</b>	(finance/foreign exchange) The last business day or last stock trading day of a month.
<b>Ultra Large Crude Carrier (ULCC)</b>	(shipping) An ocean-going crude oil tanker of 300,000 to 550,000 dwt. These are the largest vessels in the world and are used for carrying crude oil on long haul routes from the Arabian Gulf to Europe, America and the Far East, via the Cape of Good Hope. These vessels require custom built terminals for loading and discharge.
<b>ultra vires</b>	(law) An act performed without authority to do so. If a contract provision, for example, requires both parties to approve an assignment of the contract but one party agrees to an assignment without obtaining the other's consent, the assignment is ultra vires.
<b>umbrella rate</b>	(logistics) A shipping rate system that establishes artificially high minimum rates in order to protect less competitive carriers and carrier modes.
<b>UN/EDIFACT</b>	(logistics) Acronym for United Nations [rules for] Electronic Data Interchange for Administration, Commerce and Transport. A set of standards, directories and guidelines for the electronic interchange, between computer systems, of structured data and documents, especially those that relate to the international trade in goods and services. Contact: UN/EDIFACT, UN Economic Commission for Europe, Information Service, Palais des Nations, CH - 1211 Geneva 10, Switzerland; Tel: [41] (22) 917-4444; Web: <a href="http://www.unece.org/trade/untdid/welcome.htm">www.unece.org/trade/untdid/welcome.htm</a> . See EDI.
<b>UN/LOCODE</b>	Acronym for United Nations Code for Trade and Transport Locations. A five-character code system used to identify more than 40,000 trade and transport locations worldwide. These locations include ports, airports, railway, bus and truck terminals, and other pick-up and drop-off points for freight. The five character code consists of a two character country code (based on the ISO 3166 alpha-2 Country Code) and a three character code element for the location itself. While alpha characters are typical for the location itself, the numerals 2 to 9 may also be used. See <a href="http://www.unece.org/cefact/locode/service/main.htm">www.unece.org/cefact/locode/service/main.htm</a> for a complete listing of codes.

<b>unapproved merchandise</b>	(shipping/insurance) Goods especially susceptible to damage or perishability which are not acceptable for coverage under an open cargo policy, except under special terms and conditions.
<b>unclean bill of lading</b>	(shipping) A bill of lading containing notations that specify deficient condition(s) of the goods and/or the packaging. See claused bill of lading; bill of lading.
<b>unconfirmed</b>	(banking) A documentary letter of credit where the advising bank makes no commitment to pay, accept or negotiate. See letter of credit; silent confirmation.
<b>unconscionable</b>	(law) Unfair or oppressive. A contract with unconscionable terms, for example, favors one party over the other to such an extent that it is unjust, and if the oppressed party made the contract under duress or without meaningful negotiation as to the terms, a court may refuse to enforce it against that party.
<b>underdeveloped country</b>	(economics) A nation in which per capita real income is proportionately low when contrasted with the per capita real income of nations where industry flourishes. See less developed countries; least developed country; lesser developed country.
<b>underwriter</b>	(insurance) (a) An insurance company that issues insurance policies. (b) An individual within an insurance company that calculates the risks involved in a proposed policy and assigns a premium cost and exclusions based upon that risk. Underwriting is the most technical part of the profession.  (historic note) In the 17th century, ship owners and traders listed proposed maritime adventures on a board at Lloyd's coffeehouse in London. Individuals who wished to insure a vessel or shipment would sign their name under the listing and state the percentage of the risk they would cover, thus becoming "underwriters" of the adventure.
<b>Underwriters Laboratory Inc. (UL)</b>	(international standards) An independent not-for-profit product safety testing and certification organization. Founded in 1894 in the U.S., UL has developed more than 1,201 product safety standards and a reputation as the leader in U.S. product safety and certification. The organization is also rapidly becoming one of the most recognized conformity assessment providers in the world. Each year 21 billion UL Marks are applied to products worldwide. Note that there are more than 60 different UL-related marks. Contact: Underwriters Laboratory Inc, 2600 N.W. Lake Rd., Camas, WA 98607-8542 USA: Tel: [1] 877-UL-HELPS ([1] (877) 854-3577); Web: www.ul.com.
<b>unfair trade practice</b>	(general) Unusual government support to firms--such as export subsidies to certain anti-competitive practices by firms themselves--such as dumping, boycotts or discriminatory shipping arrangements-- that result in competitive advantages for the benefiting firms in international trade.  (U.S.) Any act, policy, or practice of a foreign government that: (1) violates, is inconsistent with, or otherwise denies benefits to the U.S. under any trade agreement to which the United States is a party; (2) is unjustifiable, unreasonable, or discriminatory and burdens or restricts United States commerce; or (3) is otherwise inconsistent with a favorable Section 301 determination by the U.S. Trade Representative. See Section 301; dumping.
<b>Uniform Code Council (UCC) (GS1)</b>	(international standards) (Changed name to GS1) An independent not-for-profit standards organization dedicated to the development and distribution of integrated business standards. The UCC administers the Universal Product Code (UPC) and provides other open and global standards for supply chain and business processes in its partnership with EAN (European Article Number) International. The UCC is a primary resource for businesses and provides publications and training in all aspects of identification numbers, bar coding, and electronic commerce. Contact: GS1 US, Princeton Pike Corporate Center, 1009 Lenox Drive, Suite 202, Lawrenceville, NJ 08648 USA; Tel: [1] (609) 620-0200; Web: www.gs1us.org.

<b>Uniform Commercial Code (UCC)</b>	(U.S. law) A set of statutes designed in an attempt to provide some consistency among states' commercial laws. It includes uniform laws dealing with bills of lading, negotiable instruments, sales, stock transfers, trust receipts, and warehouse receipts.
<b>Uniform Customs and Practice (UCP)</b>	<p>(banking) Full name: Uniform Customs and Practice for Documentary Credits (UCPDC). The internationally recognized codification of rules unifying banking practice regarding documentary credits (letters of credit).</p> <p>The UCPDC was developed by a working group attached to the International Chamber of Commerce (ICC) in Paris, France. It is revised and updated from time to time and the current valid version as of July 1, 2007 is ICC Publication 600 which is the 2007 edition. For information, go to <a href="http://www.iccbooks.com">www.iccbooks.com</a>.</p> <p>It is highly recommended that all documentary credits (letters of credit) specify that they are subject to the UCPDC. See letter of credit; International Chamber of Commerce; and the Appendix for a listing of ICC publications that relate to the UCPDC.</p>
<b>Uniform Rules for Collections (URC)</b>	<p>(banking) The internationally recognized codification of rules unifying banking practice regarding collection operations for drafts, their payment or non-payment, protest and for documentary collections, (documents against payment, D/P, and documents against acceptance, D/A).</p> <p>The URC was developed by a working group attached to the International Chamber of Commerce (ICC) in Paris, France. It is revised and updated from time to time and the current valid version as of January 1, 1994 is ICC Publication 322.</p> <p>See documentary collection; International Chamber of Commerce; and the Appendix for a listing of ICC publications that relate to the URC.</p>
<b>Uniform Warehouse Receipts Act</b>	(U.S. logistics) An act establishing management responsibilities and documentation requirements for public warehouses.
<b>unit cost</b>	(logistics) (a) The total of all costs associated with the production of a single unit of a product or service. (b) The total of all costs associated with a production run of a product or service divided by the total number of units produced.
<b>unit load</b>	(shipping) The strapping or banding together of a number of individual cartons, packages, sacks, drums or other cargo, often on a pallet, in order to create a single unit.
<b>unit load device (ULD)</b>	(logistics/air freight) (a) Any type of container or pallet used to load or transport cargo. (b) Any type of container or pallet used to load or transport cargo in the hold of an aircraft. ULDs vary in size and shape to fit specific vessels. See the appendix Guide to Air Freight Containers (ULDs).
<b>unit price (unit pricing)</b>	A pricing model based upon a fixed price or cost per unit delivered of product or service.
<b>United Nations Conference on Trade and Development (UNCTAD)</b>	UNCTAD was set up in December 1964 as a permanent organ of the UN General Assembly. UNCTAD promotes international trade and seeks to increase trade between developing countries and countries with different social and economic systems. UNCTAD also examines problems of economic development within the context of principles and policies of international trade and seeks to harmonize trade, development, and regional economic policies. The Conference was first convened (UNCTAD-1) in Geneva in 1964.

<b>United Nations Convention on Contracts for the International Sale of Goods (CISG)</b>	<p>(law) A United Nations-sponsored multilateral treaty containing a commercial code that governs the rights and responsibilities of buyers and sellers in international sales contracts. The CISG was designed to foster international trade by establishing a unified legal framework for the sale of goods internationally. The CISG was finalized at a United Nations conference held in Vienna in 1980 and as a result is sometimes referred to as the Vienna Sales Convention.</p> <p>There are many similarities between the U.S. UCC (Uniform Commercial Code) and the UN CISG which both serve to avoid misunderstandings when one set of rules govern the buyer and another set of rules govern the seller. The U.S. UCC is designed to avoid differences in the laws of the fifty U.S. states while the CISG is designed to avoid misunderstandings in the laws of the countries of the world.</p> <p>The CISG specifically does not apply to the sale of services or labor and as a result agreements involving distribution, licensing, leasing, transportation, carriage, insurance and financing are generally not covered. The CISG does not apply to the sale of goods for consumption directly by consumers; goods sold at auction; securities or negotiable instruments; ships, vessels or aircraft; or electricity. The CISG also does not cover liabilities or injuries caused by goods.</p> <p>Transactions for the sale of computer software, the sale of both goods and services, or sales of leases with purchase options are considered gray areas where the validity of the CISG is in question and subject to legal challenge. For information go to: <a href="http://www.uncitral.org">www.uncitral.org</a>.</p>
<b>United Nations Industrial Development Organization (UNIDO)</b>	<p>Established in 1967, under the UN Secretariat, UNIDO serves as a specialized agency to foster industrial development in lesser developed countries through offering technical assistance in the form of expert services, supplying equipment and/or training. Contact: UNIDO Headquarters, Vienna International Centre, Wagramerstr. 5, P.O. Box 300, A-1400 Vienna Austria; Tel: [43] (1) 26-026-0; Web: <a href="http://www.unido.org">www.unido.org</a>.</p>
<b>United States Affiliate</b>	<p>(U.S. foreign investment) A U.S. business enterprise in which there is foreign direct investment-that is, in which a single foreign person owns or controls, directly or indirectly, 10 percent or more of its voting securities if the enterprise is incorporated or an equivalent interest if the enterprise is unincorporated. The affiliate is called a U.S. affiliate to denote that the affiliate is located in the U.S. (although it is owned by a foreign person). See foreign person; affiliate.</p>
<b>United States and Foreign Commercial Service (US&amp;FCS)</b>	<p>(U.S.) An agency of the U.S. Department of Commerce that helps U.S. firms compete more effectively in the global marketplace. The US&amp;FCS (more commonly known as the U.S. Commercial Service) has a network of trade specialists in 68 U.S. cities and 66 countries worldwide. US&amp;FCS offices provide information on foreign markets, agent/distributor location services, trade leads, and counseling on business opportunities, trade barriers and prospects abroad. Contact: Tel: [1] (800) USA-TRADE (872-87233); E-mail: <a href="mailto:TIC@ita.doc.gov">TIC@ita.doc.gov</a>.</p>
<b>United States Code (USC)</b>	<p>(U.S. law) The United States Code is the codification by subject matter of the general and permanent laws of the United States. It is divided by broad subjects into 50 titles and published by the Office of the Law Revision Counsel of the U.S. House of Representatives. Since 1926, the United States Code has been published every six years. In between editions, annual cumulative supplements are published in order to present the most current information.</p> <p>Of particular interest is "Title 49--Transportation," which is divided into 10 subtitles:</p>

	<p>Subtitle I--Department of Transportation</p> <p>Subtitle II--Other Government Agencies</p> <p>Subtitle III--General and Intermodal Programs</p> <p>Subtitle IV--Interstate Transportation</p> <p>Subtitle V--Rail Programs</p> <p>Subtitle VI--Motor Vehicle and Driver Programs</p> <p>Subtitle VII--Aviation Programs</p> <p>Subtitle VIII--Pipelines</p> <p>Subtitle IX--Commercial Space Transportation</p> <p>Subtitle X--Miscellaneous</p> <p>The USC is found in larger public libraries and is available for purchase from the Superintendent of Documents; U.S. Government Printing Office; Mail Stop: IDCC; 732 N. Capitol Street, NW; Washington, DC 20401; Tel: [1] (866) 512-1800, [1] (202) 512-1800; Fax: [1] (202) 512-2104; Web: <a href="http://www.gpoaccess.gov">www.gpoaccess.gov</a>. There are also local offices of the U.S. Government Printing Office in major U.S. cities.</p>
<p><b>United States Consumer Product Safety Commission (CPSC)</b></p>	<p>(United States) The CPSC is the U.S. governmental agency charged with protecting the public from unreasonable risks of serious injury or death from more than 15,000 types of consumer products under the agency's jurisdiction. Deaths, injuries and property damage from consumer product incidents cost the nation more than \$700 billion annually. The CPSC is responsible for protecting consumers and families from products that pose a fire, electrical, chemical or mechanical hazard or can injure children. The CPSC's work to ensure the safety of consumer products - such as toys, cribs, power tools, cigarette lighters, and household chemicals - contributed significantly to the 30 percent decline in the rate of deaths and injuries associated with consumer products over the past 30 years. Mailing Contact: U.S. Consumer Product Safety Commission; Washington, DC 20207-0001 USA. Street Contact: 4330 East-West Highway; Bethesda, Maryland 20814-440 USA8; Tel: [1] (800) 638-2772, [1] (301) 504-7923; Web: <a href="http://www.cpsc.gov">www.cpsc.gov</a>.</p>
<p><b>United States Custom House Guide</b></p>	<p>(publication) A comprehensive resource for importing goods to the U.S., covering three major topics: 1) Ports of Entry (U.S. and Canadian) and U.S. Import Regulations, 2) the U.S. Harmonized Tariff Schedule and 3) Trade Services Directory and Guide. Available as a print product and as an online service. For more information, go to <a href="http://www.customhouseguide.com">www.customhouseguide.com</a>; Tel: [1] (888) 215-6084.</p>

<b>United States Customs &amp; Border Protection</b>	<p>(formerly, U.S. Customs Service) U.S. governmental agency, part of the U.S. Department of Homeland Security since 2003, whose major responsibility is to administer the Tariff Act of 1930, as amended. Primary duties include the assessment and collection of all duties, taxes and fees on imported merchandise, and the enforcement of customs and related laws and treaties. As a major enforcement organization, Customs combats smuggling and fraud on the revenue and enforces the regulations of numerous other federal agencies at ports of entry and along the land and sea borders of the U.S.</p> <p>The customs territory of the United States consists of the 50 states, the District of Columbia, and Puerto Rico. The Customs Bureau has its headquarters in Washington, DC and is headed by a Commissioner of Customs. The field organization consists of seven geographical regions further divided into districts with ports of entry within each district. These organizational elements are headed respectively by regional commissioners, district directors (or area directors in the case of the New York Region), and port directors.</p> <p>Contact: U.S. Customs &amp; Border Protection; 1300 Pennsylvania Avenue NW; Washington, DC 20229 USA; Tel: [1] (202) 344-1000; Web: <a href="http://www.cbp.gov">www.cbp.gov</a>.</p> <p>U.S. Customs regional and district offices are in Boston, Massachusetts; New York, NY; Miami, Florida; New Orleans, Louisiana; Houston, Texas; Los Angeles, California; and Chicago, Illinois.</p> <p>U.S. Customs also has offices in Austria, Belgium, Canada, France, Hong Kong, Italy, Japan, Korea, Mexico, The Netherlands, Panama, Singapore, Thailand, The United Kingdom, Uruguay, and Germany. These offices are a part of the U.S. Embassy complex in each country.</p>
<b>United States Customs Service</b>	<p>The former name of United States Customs and Border Protection (CBP). See United States Customs and Border Protection.</p>
<b>United States Department of Agriculture (DOA)</b>	<p>(U.S. government) An executive department which serves as the principal adviser to the president on agricultural policy. The Department works to improve and maintain farm income, implement nutrition programs and develop and expand markets abroad for U.S. agricultural products. It is also charged with inspecting and grading food products for safe consumption. Organizations within the Department of Agriculture include: Agricultural Marketing Service, Agricultural Stabilization and Conservation Service, Animal and Plant Inspection Service, the Commodity Credit Corporation, the Extension Service, the Farmers Home Administration, Federal Grain Inspection Service, the Food and Inspection Service, the Food Safety and Inspection Service, the Foreign Agricultural Service, Forest Service, Rural Electrification Administration, Soil Conservation Service. Contact: United States Department of Agriculture; 1400 Independence Ave. SW; Washington, DC 20250 USA; Tel: [1] (202) 720-2791; Web: <a href="http://www.usda.gov">www.usda.gov</a>. Foreign Agricultural Service; Tel: [1] (202) 720-7115;</p>
<b>United States Department of Commerce (DOC)</b>	<p>(U.S. government) An executive department which encourages and promotes the United States' economic growth, international trade, and technological advancement. The Department provides a wide variety of programs to increase American competitiveness in the world economy and to assist business. The DOC also: works to prevent unfair foreign trade competition, provides social and economic statistics and analyses, supports the increased use of scientific engineering and technological development, grants patents and registers trademarks, and provides assistance to promote domestic economic development. Organizations within the DOC include the Bureau of</p>

	<p>Industry and Security (formerly, Bureau of Export Administration), Tel: [1] (202) 482-2000; the Census Bureau, Web: <a href="http://www.census.gov">www.census.gov</a>; the Economic Development Administration, Tel: [1] (202) 482-2000; the International Trade Administration, Tel: [1] (202) 482-2000; the Minority Business Development Agency, Tel: [1] (202) 482-2000; the National Institute of Standards and Technology, Tel: [1] (301) 975-6478; the National Oceanic and Atmospheric Administration, E-mail: <a href="mailto:answers@noaa.gov">answers@noaa.gov</a>; the Patent and Trademark Office, Tel: [1] (703) 308-4357 (Public Affairs) or [1] (800) 786-9199; and the Technology Administration, E-mail: <a href="mailto:Public_Affairs@ta.doc.gov">Public_Affairs@ta.doc.gov</a>. Contact: United States Department of Commerce, 1401 Constitution Ave. NW, Washington, DC 20230 USA; Tel: [1] (202) 482-2000; Web: <a href="http://www.commerce.gov">www.commerce.gov</a>. See Bureau of Industry and Security; International Trade Administration.</p>
<b>United States Department of Defense</b>	<p>(U.S. government) A civilian executive department providing the military forces needed to deter war and protect the security of the U.S. There are three departments within the Department of Defense: the Air Force, Army, and Navy. Contact: United States Department of Defense; 1400 Defense Pentagon; Washington, DC 20301-1400 USA; Tel: [1] (703) 571-3343; Web: <a href="http://www.defense.gov">www.defense.gov</a>.</p>
<b>United States Department of Energy (DOE)</b>	<p>(U.S. government) An executive department created in 1977 to consolidate all major Federal energy functions into one department. The principal programmatic missions are energy programs, weapons and waste clean-up programs, and science and technology programs. Organizations under the department include the Economic Regulatory Administration, the Energy Information Administration, and the Federal Energy Regulatory Commission. Contact: United States Department of Energy; 1000 Independence Ave. SW; Washington, DC 20585 USA; Tel (toll-free within North America): [1] (800) 342-5363, (all others [1] (202) 586-5000); Fax: [1] (202) 586-4403; Web: <a href="http://www.energy.gov">www.energy.gov</a>.</p>
<b>United States Department of Homeland Security (DHS)</b>	<p>(U.S. Government) The DHS is a federal agency created under the Homeland Security Act of 2002 and mandated to protect the United States of America. The DHS coordinates and oversees the efforts of a variety of organizations working to protect U.S. infrastructure and points of entry, stop the flow of illegal drugs into the U.S., and prevent and respond to terrorist attacks on Americans.</p> <p>The DHS is under the direction of the Secretary of Homeland Defense, who is nominated by the President and confirmed by the Senate. The Secretary is responsible for ensuring that the many agencies within the Department are effectively working together, and for coordinating such efforts with the President and other federal agencies.</p> <p>According to the Homeland Security Act of 2002, the primary mission of the Department is to (1) prevent terrorist attacks within the United States; (2) reduce the vulnerability of the United States to terrorism; and (3) minimize the damage, and assist in the recovery, from terrorist attacks that do occur within the United States.</p> <p>The agencies that make up the Department are housed in one of four major directorates: Border and Transportation Security, Emergency Preparedness and Response, Science and Technology, and Information Analysis and Infrastructure Protection.</p> <p>The Border and Transportation Security directorate brings together the following:</p> <p>The U.S. Customs &amp; Border Protection Bureau (formerly, the U.S. Customs Service of the Treasury Department)</p> <p>The U.S. Citizenship and Immigration Services Bureau (formerly, the Immigration and Naturalization Service of the</p>

Justice Department)

The U.S. Immigration and Customs Enforcement Bureau

The Transportation Security Administration

Federal Law Enforcement Training Center

Animal and Plant Health Inspection Service

Office for Domestic Preparedness

The Emergency Preparedness and Response directorate brings together the following:

The Federal Emergency Management Agency (FEMA)

Strategic National Stockpile and the National Disaster Medical System (of Health and Human Services)

Nuclear Incident Response Team (of the Department of Energy)

Domestic Emergency Support Teams (of the Department of Justice)

National Domestic Preparedness Office (of the FBI)

The Science and Technology directorate brings together the following:

CBRN Countermeasures Programs (of the Department of Energy)

Environmental Measurements Laboratory (of the Department of Energy)

National BW Defense Analysis Center (of the Department of Defense)

Plum Island Animal Disease Center (of the Department of Agriculture)

The Information Analysis and Infrastructure Protection directorate will analyze intelligence and information from other agencies (including the CIA, FBI, DIA and NSA) involving threats to homeland security and evaluate vulnerabilities in the nation's infrastructure. It will bring together:

Critical Infrastructure Assurance Office (of the Department of Commerce)

Federal Computer Incident Response Center

	<p>National Communications System (of the Department of Defense)</p> <p>National Infrastructure Protection Center (of the FBI)</p> <p>Energy Security and Assurance Program (of the Department of Energy)</p> <p>The Secret Service and the Coast Guard are also located in the Department of Homeland Security, remaining intact and reporting directly to the Secretary.</p> <p>Contact: U.S. Department of Homeland Security; Washington, D.C. 20528; Tel: [1] (202) 282-8000; Web: <a href="http://www.dhs.gov">www.dhs.gov</a>.</p>
<b>United States Department of Labor (DOL)</b>	<p>(U.S. government) An executive department which promotes and develops the welfare of U.S. wage earners, improves working conditions, and advances opportunities for profitable employment. The DOL keeps track of changes in employment, prices, and other national economic measures. Organizations under the Department include the Bureau of Labor Statistics, the Employment and Training Administration, the Employment Standards Administration, Labor-Management Standards, the Mine Safety and Health Administration, Occupational Safety and Health, and the Pension and Welfare Benefits Administration. Contact: United States Department of Labor; 200 Constitution Ave. NW; Washington, DC 20210 USA; Tel: [1] (866) 4-USA-DOL (866-487-2365); Web: <a href="http://www.dol.gov">www.dol.gov</a>.</p>
<b>United States Department of State</b>	<p>(U.S. government) An executive department which directs U.S. foreign relations and negotiates treaties and agreements with foreign nations. Activities of the State Department are coordinated with foreign activities of other U.S. departments and agencies. Organizations within the Department include the Bureau of Consular Affairs, the Bureau of Economic and Business Affairs, the Bureau of Intelligence and Research, the Bureau of International Organization Affairs, and the Bureau of Oceans. Contact: United States Department of State; 2201 C St. NW; Washington, DC 20520 USA; Tel: [1] (202) 647-4000; Web: <a href="http://www.state.gov">www.state.gov</a>.</p>
<b>United States Department of the Interior (DOI)</b>	<p>(U.S. government) An executive department that has responsibility for most U.S. federal government owned public lands and natural resources; the principal U.S. conservation agency. The office of Territorial and International Affairs oversees activities pertaining to U.S. territorial lands and the Freely Associated States and coordinates the international affairs of the Department. Organizations under the DOI include: the Bureau of Indian Affairs, the Bureau of Land Management, the Bureau of Mines, the Bureau of Reclamation, the Minerals Management Service, the National Park Service, the U.S. Fish and Wildlife Service, and the U.S. Geological Survey. Contact: United States Department of the Interior; 1849 C St. NW, Washington, DC 20240 USA; Tel: [1] (202) 208-3100; Web: <a href="http://www.doi.gov">www.doi.gov</a>.</p>
<b>United States Department of the Treasury</b>	<p>(U.S. government) An executive department which performs four basic functions: formulating and recommending economic, financial, tax and fiscal policies; serving as financial agent for the U.S. government; enforcing the law; and manufacturing coins and currency. The International Affairs unit is responsible for Department activities in international monetary affairs, trade and investment policy, international debt strategy, and U.S. participation in international financial institutions. The Under Secretary of the International Affairs unit acts as the U.S. Group of Seven (G-7) Deputy. Organizations within the Department include the Bureau of Alcohol, Tobacco and Firearms; the Bureau of Engraving and Printing; the Comptroller of the Currency; the Internal Revenue Service; the Office of Thrift Supervision; the U.S. Customs and Border Protection; the U.S. Mint; the U.S. Secret Service. Contact: United States</p>

	Department of the Treasury; 1500 Pennsylvania Ave. NW; Washington, DC 20220 USA; Tel: [1] (202) 622-2000; Fax: [1] (202) 622-6415; Web: <a href="http://www.ustreas.gov">www.ustreas.gov</a> . See Group of Seven (G-7); United States Customs Service; Bureau of Alcohol, Tobacco and Firearms.
<b>United States Department of Transportation (DOT)</b>	(U.S. government) An executive department of the U.S. government established by the Department of Transportation Act of 1966 (80 Stat 931) for the purpose of developing national transportation policies. Organizations within the Department of Transportation include the Federal Aviation Administration, the Federal Highway Administration, the Federal Railroad Administration, the Federal Transit Administration, the Maritime Administration, the National Highway Traffic Safety Administration, the Research and Special Programs Administration, the St. Lawrence Seaway Development Corporation, and the U.S. Coast Guard. Contact: United States Department of Transportation; 1200 New Jersey Ave SE; Washington, DC 20590 USA; Tel: [1] (202) 366-4000; Web: <a href="http://www.dot.gov">www.dot.gov</a> .
<b>United States Foreign Trade Definitions</b>	An obsolete standard of trade terms, although they are sometimes specified in U.S. domestic contracts. The international standard of trade terms is Incoterms 2010. See Incoterms 2010.
<b>United States International Trade Commission</b>	(U.S. government) Formerly the U.S. Tariff Commission, which was created in 1916 by an Act of Congress. Its mandate was broadened and its name changed by the Trade Act of 1974. It is an independent fact-finding agency of the U.S. government that studies the effects of tariffs and other restraints to trade on the U.S. economy. It conducts public hearings to assist in determining whether particular U.S. industries are injured or threatened with injury by dumping, export subsidies in other countries, or rapidly rising imports. It also studies the probable economic impact on specific U.S. industries of proposed reductions in U.S. tariffs and non-tariff barriers to imports. Its six members are appointed by the president with the advice and consent of the U.S. Senate for nine-year terms (six-year terms prior to 1974). Contact: International Trade Commission; 500 E Street SW; Washington, DC 20436 USA; Tel: [1] (202) 205-2000; Web: <a href="http://www.usitc.gov">www.usitc.gov</a> .
<b>United States Munitions List</b>	(U.S.) The USML identifies those items or categories of items considered to be defense articles and defense services subject to export control. The USML is similar in coverage to the International Munitions List (IML), but is more restrictive in two ways. First, the USML currently contains some dual-use items that are controlled for national security and foreign policy reasons (such as space-related or encryption-related equipment). Second, the USML contains some nuclear-related items. Under Presidential directive, most dual-use items are to be transferred from the USML to the Commerce Department's dual-use list. The Department of State, with the concurrence of Defense, designates which articles will be controlled under the USML. Items on the Munitions List face a stricter control regime and lack the safeguards to protect commercial competitiveness that apply to dual-use items. See International Munitions List; United States Department of State.
<b>United States price</b>	(U.S.) In the context of dumping investigations, this term refers to the price at which goods are sold in the U.S. compared to their foreign market value. The comparisons are used in the process of determining whether imported merchandise is sold at less than fair value. See dumping.
<b>United States Trade and Development Agency</b>	(U.S. government) An independent agency within the executive branch. Its mandate is to promote economic development in, and simultaneously export U.S. goods and services to, developing and middle-income countries. The Agency conducts feasibility studies and orientation visits, and provides trade-related training to assist U.S. firms in becoming involved in developing projects with substantial U.S. export potential. It also coordinates government-to-government technical assistance. Contact: United States Trade and Development Agency; 1000 Wilson Blvd., Suite 1600; Arlington VA 22209 USA; Tel: [1] (703) 875-4357; Fax: [1] (703) 875-4009; Web: <a href="http://www.ustda.gov">www.ustda.gov</a> .

<b>United States Trade Representative</b>	(U.S. government) A cabinet-level official with the rank of Ambassador who is the principal adviser to the president on international trade policy, and has responsibility for setting and administering overall trade policy. The U.S. Trade Representative is concerned with the expansion of U.S. exports; U.S. participation in the World Trade Organization (WTO), commodity issues; East-West and North-South trade; and direct investment related to trade. As Chairman of the U.S. Trade Policy Committee he is also the primary official responsible for U.S. participation in all international trade negotiations. Prior to the Trade Agreements Act of 1979, which created the Office of the U.S. Trade Representative, the comparable official was known as the President's Special Representative for Trade Negotiations (STR), a position first established by the Trade Expansion Act of 1962. Contact: United States Trade Representative; 600 17th St. NW; Washington, DC 20508 USA; Tel: [1] (888) 473-8787; Web: <a href="http://www.ustr.gov">www.ustr.gov</a> .
<b>United States-Canada Free Trade Agreement (FTA)</b>	<p>The provisions of the U.S./Canada Free Trade Agreement were adopted by the U.S. with the enactment of the FTA Implementation Act of 1988. The FTA not only reduced tariffs on imported merchandise between Canada and the U.S., but opened up new areas of trade in investment services, agriculture, and business travel. In order to be eligible for FTA treatment, goods must not enter the commerce of a third country, or, if shipped through a third country, must remain under customs control.</p> <p>Several publications about the United States-Canada Free Trade Agreement are available from: the National Technical Information Service (NTIS), 5301 Shawnee Rd., Alexandria, VA 22312 USA; Tel: [1] (703) 605-6585; Web: <a href="http://www.ntis.gov">www.ntis.gov</a>.</p> <p>Other sources of information about the agreement can be obtained from the Office of North American Affairs, Office of the United States Trade Representative (USTR); 600 17th St. NW; Washington, DC 20508 USA; Web: <a href="http://www.ustr.gov">www.ustr.gov</a>.</p>
<b>United States-Japan Semiconductor Trade Arrangement</b>	See Semiconductor Trade Arrangement.
<b>unitization</b>	(shipping) The practice or technique of consolidating many small pieces of freight into a single unit for easier handling.
<b>universal agency</b>	See agency.
<b>Universal Copyright Convention</b>	An international agreement that was concluded to afford copyright protection to literary and artistic works in all countries that voluntarily agree to be bound by the Convention terms. See copyright; trademark; service mark.
<b>unloading</b>	(shipping) The physical removal of cargo from carrier's container.
<b>unrestricted letter of credit</b>	(banking) A letter of credit which may be negotiated through any bank of the beneficiary's choice. See letter of credit.
<b>UNSCR 1540</b>	United Nations Security Council Resolution 1540. A resolution of the U.N. Security Council establishing for the first time binding obligations on all UN member states under Chapter VII of the UN Charter to take and enforce effective measures against the proliferation of WMD, their means of delivery and related materials. UNSCR 1540 is intended to help ensure that no State or non-State actor is a source or beneficiary of WMD proliferation. All states have three primary obligations under UNSCR 1540 relating to such items: to prohibit support to non-State actors seeking such items; to adopt and enforce effective laws prohibiting the proliferation of such items to non-State actors, and prohibiting assisting or financing such proliferation; and to take and enforce effective measures to control these items, in order to prevent their proliferation, as well as to control the provision of funds and services that contribute to

	<p>proliferation. If implemented successfully, each state's actions will significantly strengthen the international standards relating to the export of sensitive items and support for proliferators (including financing) and ensure that non-state actors, including terrorist and black-market networks, do not gain access to chemical, nuclear or biological weapons, their means of delivery or related materials. For a copy of the resolution, go to: <a href="http://www.un.org/Docs/sc/unsc_resolutions04.html">www.un.org/Docs/sc/unsc_resolutions04.html</a>. For other information go to: <a href="http://www.state.gov/documents/organization/106532.pdf">www.state.gov/documents/organization/106532.pdf</a>.</p>
<b>upper deck</b>	(shipping) A higher or the highest deck on a ship or airplane.
<b>Uruguay Round</b>	<p>(GATT/WTO) The eighth round of multilateral trade negotiations concerning the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization (WTO). The Uruguay Round (so named because meetings began in Punta del Este, Uruguay in 1987) concluded in December, 1993 after seven years of talks with 117 member nations. The major goals of the Uruguay Round were to reduce barriers to trade in goods; to strengthen the role of GATT and improve the multilateral trading system; to increase the responsiveness of GATT to the evolving international economic environment; to encourage cooperation in strengthening the inter-relationship between trade and other economic policies affecting growth and development; and the establishment of a multilateral framework of principles and rules for trade in services, including the elaboration of possible disciplines for individual service sectors.</p> <p>Key provisions of the Uruguay Round agreements were: a reduction of import tariffs, with an overall cut of more than 33 percent of global tariffs; a gradual reduction of 36 percent of government subsidies for farmers; a phasing-out of import protection for textile producers in industrialized countries allowing more open markets for entry of cheaper products from Third World countries; stricter anti-dumping rules; greater global protection of intellectual property rights, including patents and copyrighted goods such as films and music. Although agriculture and other industries were brought under GATT for the first time, certain industries (such as the entertainment industry) were, in the end, excluded from the Round negotiations in order for negotiators to reach a final agreement. Particularly disappointing to many was the lack of progress in opening access to the trade of financial services, such as banking, accounting, and insurance. Most aspects of the agreement went into effect July 1, 1995.</p> <p>Agreements reached at the Uruguay Round covered:</p> <p>(1) Market Access for Goods--Tariffs to be reduced by an average of one-third, with the U.S. and other major industrial nations eliminating tariffs altogether on some products, by one-half on others, while cutting tariffs much less in the rest of the world.</p> <p>(2) Agriculture--Strengthened long-term rules for agricultural trade and assures reduction of specific policies that distort agricultural trade. Addressed export subsidies, domestic subsidies, and market access. Agricultural export subsidies and some farm subsidies made subject to multilateral disciplines, and to be bound and reduced. Many non-tariff measures, including quotas to be converted to low tariffs over time.</p> <p>(3) Textiles and Clothing--The Multi-Fiber Arrangement (MFA), a system of quotas that limits imports of textiles and apparel to the U.S. and other developed countries, to be phased out over a 10 year period. The quotas will eventually be replaced by tariffs.</p>

- (4) Safeguards--Provided incentives for countries to use GATT safeguard rules when import-related, serious injury problems occur.
- (5) Antidumping--Revised the 1979 Antidumping Code, by improving provisions to define, deter, and discourage the use of dumping practices. Disputes between GATT members to be settled by binding dispute settlement.
- (6) Subsidies and Countervailing Measures--Established clearer rules and stronger disciplines in the subsidies area while also making certain subsidies non-actionable.
- (7) Trade-related Investment Measures (TRIMs)--Limited the ability of countries to favor domestically owned factories at the expense of foreign-owned ones. Prohibits local content and trade balancing requirements. Established a 5 to 7-year transition period for developing and least-developed countries.
- (8) Import Licensing Procedures--More precisely defined automatic and non-automatic licensing. Signatories that adopt new procedures to notify the Import Licensing Committee within 60 days and provide information about it.
- (9) Customs Valuation--Amendments to the Customs Valuation Code to help stem fraud, retain established minimum values, and encourage developing countries to study areas of concern in customs valuation.
- (10) Preshipment Inspection--Regulated activities of Preshipment Inspection companies and reduced impediments to international trade resulting from the use of such companies, particularly in developing countries where they may supplement or replace national customs services.
- (11) Rules of Origin--A program to be implemented to harmonize rules for determination of the origin of goods. Established a GATT Committee on Rules of Origin and a Customs Cooperation Council Technical Committee on Rules of Origin.
- (12) Technical Barriers to Trade--Updated and improved rules respecting standards, technical regulations and conformity assessment procedures.
- (13) Sanitary and Phytosanitary Measures--Established rules for the development of measures which are taken to protect human, animal or plant life or health in food safety or agriculture. Included quarantine procedures, food processing measures, meat inspection rules, procedures for approval of food additives or use of pesticides.
- (14) Services--The General Agreement on Trade in Services (GATS) was the first multilateral, legally enforceable agreement covering trade investment in the service sectors. Principal elements included most-favored-nation treatment, national treatment, market access, transparency, and the free flow of payments and transfers.
- (15) Trade-Related Intellectual Property Rights (TRIPs)--Established improved standards for the protection of a full range of property rights and the enforcement of those standards both internally and at the border. Covered:

	<p>copyrights, patents, trademarks, industrial designs, trade secrets, integrated circuits, and geographical indications. Provided for a 20-year term of protection for most of these rights.</p> <p>(16) Dispute Settlement--The Dispute Settlement Understanding (DSU) created new procedures for settlement of disputes arising under any of the Uruguay Round agreements.</p> <p>(17) World Trade Organization (WTO)--Established a new organization available only to countries that were contracting parties to the GATT and that agreed and adhered to all of the Uruguay Round agreements. Encompassed and extended the then current GATT structure. The intention was for the new WTO to have a stature similar to that of the Bretton Woods financial institutions, the World Bank, and the International Monetary Fund.</p> <p>(18) GATT Articles--Updated articles relating to balance-of-payment reform, state trading enterprises, regional trading arrangements, and waivers of obligation.</p> <p>(19) Trade Policy Review Mechanism--Provided for regular examination of national trade policies and other economic policies bearing on international trading.</p> <p>(20) Ministerial Decisions and Declaration--Stated the views and objectives of the Uruguay Round participants on a number of issues relating to the operation of the global trading system.</p> <p>(21) Government Procurement--A new Agreement on Government Procurement replaced the existing agreement. Included procurement of services and construction and some coverage of subcentral governments and government-owned utilities.</p> <p>See General Agreement on Tariffs and Trade; rounds; Tokyo Round, World Trade Organization.</p>
<b>usance letter of credit</b>	<p>(banking) A documentary letter of credit which is not available by sight payment and which is therefore available against:</p> <p>(1) acceptance of a term bill of exchange,</p> <p>(2) or in certain usages by deferred payment. See letter of credit.</p>
<b>user fees</b>	<p>(U.S. Customs) Assessments collected by U.S. Customs and Border Protection as part of the entry process to help defray various costs involved in the importation of goods to the United States.</p> <p>(a) The harbor maintenance fee is an ad valorem fee assessed on cargo imports and admissions into foreign trade zones. The fee is 0.125 percent of the value of the cargo and is paid quarterly, except for imports which are paid at the time of entry. Customs deposits the harbor maintenance fee collections into the Harbor Maintenance Trust Fund. The funds are made available, subject to appropriation, to the Army Corps of Engineers for the improvement and maintenance of U.S. ports and harbors.</p> <p>(b) The merchandise processing fee (MPF) is 0.21 percent ad valorem on formally-entered imported merchandise</p>

	(generally entries valued over US \$2,000), subject to a minimum fee of \$25 per entry and a maximum fee of \$485 per entry. On informal entries (those valued at less than \$2,000), the MPFs are: \$2 for automated entries, \$6 for manual entries not prepared by Customs, and \$9 for manual entries that are prepared by Customs.
<b>usance</b>	(banking) The time allowed for payment of an international obligation. A usance credit is a credit available against time drafts. See letter of credit; usance letter of credit.
<b>utmost good faith</b>	(insurance) The responsibility of anyone seeking insurance to disclose all the material facts about the risks that he or she knows, or should know.
<b>validated export license</b>	(U.S.) A document issued by the U.S. government authorizing the export of commodities for which written export authorization is required by law. For more information on export licensing in general, call Exporter Assistance at: [1] (202) 482-4811. Contact: Bureau of Industry and Security; U.S. Department of Commerce; 14th St. and Constitution Ave. NW; Washington, DC 20230 USA; Tel: [1] (202) 482-4811; Fax: [1] (202) 482-3617; Web: www.bis.doc.gov.
<b>validity</b>	(banking) The time period for which a letter of credit is valid. After receiving notice of a letter of credit opened in his behalf, the seller/exporter/beneficiary must meet all the requirements of the letter of credit within the period of validity. See letter of credit.
<b>valuation</b>	<p>The fixing of value to anything.</p> <p>(customs) The appraisal of the worth of imported goods by customs officials for the purpose of determining the amount of duty payable in the importing country. The WTO Customs Valuation Code obligates governments that sign it to use the "transaction value" of imported goods—or the price actually paid or payable for them—as the principal basis for valuing the goods for customs purposes.</p> <p>Customs officers are required by law to determine the value of imported merchandise. Valuation is necessary for statistical purposes as well as to determine the amount of import duty which must be paid if the duty rate is stated as a percentage of value (ad valorem duty).</p> <p>Article VII of the General Agreement on Tariffs and Trade ("GATT") in the 1994 WTO agreement outlines methodology for Customs Valuation: <a href="https://www.cbsa-asfc.gc.ca/publications/dm-md/d13/d13-2-4-eng.html">https://www.cbsa-asfc.gc.ca/publications/dm-md/d13/d13-2-4-eng.html</a>. These are the uniform bases of appraisal for customs valuation among signatory countries. The 6 methods must be applied in the prescribed hierarchical order (if method #1 doesn't apply, you must go to #2 next, and can't skip to #4), and are as follows:</p> <ul style="list-style-type: none"> <li>• Method 1      Transaction Value</li> <li>• Method 2      Transaction Value of Identical Goods</li> <li>• Method 3      Transaction Value of Similar Goods</li> <li>• Method 4      Deductive Value</li> <li>• Method 5      Computed Method</li> <li>• Method 6      Fallback Method</li> </ul>

The order of precedence of the Methods 4 & 5 can be reversed if the importer so requests and Customs officer approves.

(general) The price actually paid or payable for merchandise.

- The transaction value of imported merchandise is the price actually paid or payable for the merchandise when sold for exportation, plus amounts for the following items if not included in the price:
  - (1) The packing costs incurred by the buyer.
  - (2) Any selling commission incurred by the buyer,
  - (3) The value of any assist,
  - (4) Any royalty or license fee that the buyer is required to pay as a condition of the sale, and
  - (5) The proceeds, accruing to the seller, of any subsequent resale, disposal, or use of the imported merchandise.

The amounts for the above items are added only to the extent that each is not included in the price actually paid or payable and information is available to establish the accuracy of the amount. If sufficient information is not available, then the transaction value cannot be determined and the next basis of value, in order of precedence, must be considered for appraisalment.

If the transaction value cannot be used, then certain secondary bases are considered. The secondary bases of value, listed in order of precedence for use, are:

- Method 2      Transaction Value of Identical Goods
- Method 3      Transaction Value of Similar Goods
- Method 4      Deductive Value
- Method 5      Computed Method
- Method 6      Fallback Method

The order of precedence of the Methods 4 & 5 can be reversed if the importer so requests and Customs officer approves.

(U.S. Customs) U.S. Customs officers are required by law to determine the value of imported merchandise. Valuation is necessary for statistical purposes as well as to determine the amount of import duty which must be paid if the duty rate is stated as a percentage of value (ad valorem duty).

Generally, the Customs value of all merchandise exported to the United States is the transaction value for the goods. The transaction value of imported merchandise is the price actually paid or payable for the merchandise when sold for exportation to the United States, plus amounts for the following items if not included in the price:

- 1) The packing costs incurred by the buyer.
- 2) Any selling commission incurred by the buyer,
- 3) The value of any assist,
- 4) Any royalty or license fee that the buyer is required to pay as a condition of the sale, and
- 5) The proceeds, accruing to the seller, of any subsequent resale, disposal, or use of the imported merchandise.

The amounts for the above items are added only to the extent that each is not included in the price actually paid or payable and information is available to establish the accuracy of the amount. If sufficient information is not available, then the transaction value cannot be determined and the next basis of value, in order of precedence, must be considered for appraisalment.

The secondary bases of value, listed in order of precedence for use, are:

- 1) Transaction value of identical merchandise,
- 2) Transaction value of similar merchandise,
- 3) Deductive value, and
- 4) Computed value.

The order of precedence of the last two values can be reversed if the importer so requests.

See transaction value; deductive value; computed value.

<b>valuation charges</b>	(shipping) Transportation charges assessed shippers who declare a value of goods higher than the value of carriers' limits of liability. See declared value for carriage.
<b>valuation clause</b>	(insurance) A clause in an insurance policy stating the value of the policy. A valuation clause commonly in use reads:  "valued premium included at amount of invoice, including all charges in the invoice and including prepaid and/or advanced and/or guaranteed freight, if any, plus _____%." (This is usually 10% on exports.).
<b>value added</b>	(economics) The amount by which the value of a product is increased at each stage of its production cycle, less the cost of materials and purchased parts and services. It is determined by subtracting from sales the costs of materials and supplies, energy costs, contract work, and so on, and it includes labor expenses, administrative and sales costs, and other operating profits. See value-added tax.
<b>value added counseling</b>	Assessing a company's current international business operations and assisting in one or more of the following: (1) identifying and selecting the most viable markets; (2) developing an export market strategy; (3) implementing the export market strategy; and (4) increasing market presence.
<b>value chain</b>	(logistics, management) A variation of supply chain. The term is used to communicate the value each member, contributor or participant in the supply chain adds to the value of the final delivered product or service.
<b>value date</b>	(banking) Fixing of a value date for accounting purposes on banking operations, i.e. the date on which the interest accrual for the respective accounting entry begins or ends.
<b>value proposition</b>	a) A statement describing the unique added value an organization offers its customers and potential customers in differentiating itself from its competitors. Value propositions usually distinguish a firm based upon its operational excellence, product leadership, customer intimacy, or pricing.  b) A statement of the value an organization seeks to gain from committing itself to a course of action.
<b>value-added reseller</b>	Acronym for value-added reseller. A company that combines products and/or services from several sources to produce a new product for sale. For example, a VAR might purchase computer systems from a manufacturer at a discount, add their own proprietary medical billing software and sell the resulting system to medical offices as a complete solution.
<b>value-added tax (VAT)</b>	(taxation) An indirect tax on consumption that is assessed on the increased value of goods at each discrete point in the chain of production and distribution, from the raw material stage to final consumption. The tax on processors or merchants is levied on the amount by which they increase the value of items they purchase and resell.
<b>valued policy</b>	(insurance) An insurance policy in which the insured value of the property has been agreed upon between the assured and the underwriter when the policy is written rather than after a loss has occurred; as opposed to actual cash value policy.
<b>VAR</b>	See value-added reseller.
<b>variable price</b>	A pricing model whereby the client pays a fixed unit price for a specified standard product or service, but pays additional fees depending upon successively higher levels of quantity or quality of product delivered or service performed. For example, in outsourcing, a client pays a modest unit fee for each outbound telemarketing call made, an additional charge for each telemarketing contact made, an additional charge for each sales appointment made, an additional charge for each product or service order placed, and an additional charge for each firm sale made.

<b>variable rate of duty</b>	(customs) A tariff subject to alterations as world market prices change, the alterations are designed to assure that the import price after payment of the duty will equal a predetermined "gate" price.
<b>vatu</b>	The currency of Vanuatu. VT1=100 centimes.
<b>vega</b>	(statistics/foreign exchange) The price change of a foreign exchange option for a 1 percent change in the implied volatility.
<b>vendor</b>	A company or individual that supplies goods or services. The seller.
<b>Vennootschap onder firma</b>	(Netherlands) Designation for a general partnership, in which all partners have joint and several liability.
<b>ventilated container</b>	(logistics)  A weather-proof cargo container with protected small openings in the top and/or sides to allow for free movement of air.
<b>vertical export trading company</b>	An export trading company that integrates a range of functions taking products from suppliers to consumers.
<b>vertical integration</b>	(economics/management) The expansion, acquisition or merger of firms or business activities into different points of the same production and/or distribution path. For example, a leather shoe manufacturer who acquires a leather manufacturer and a retail shoe store chain.  See horizontal integration.
<b>Very Large Crude Carrier (VLCC)</b>	(shipping) An ocean-going crude oil tanker of 200,000 to 299,999 dwt. These vessels have greater flexibility than ULCCs (Ultra Large Crude Carriers) due to their smaller size, and are used extensively in the Mediterranean, West Africa and the North Sea. These vessels can sometimes be ballasted through the Suez Canal.
<b>vessel lift</b>	(shipping) A statistical term referring to a single loading or unloading of ocean freight containers from vessels at a port or terminal. The term is used to communicate the volume of container traffic (on an hourly, weekly, monthly or yearly basis) at a particular port or terminal.
<b>vessel stow plan</b>	(shipping/customs/security) Advance planning for the stowage of containers (and other cargo) on board a vessel. Advance planning for stowage is required in order to: facilitate loading and unloading, provide for a balanced vessel, accommodate cargo that must be shipped below or above deck, provide efficiencies for unloading cargo at successive ports of call, provide for special requirements for hazardous cargo, and new security regulations (such as the new "10+2" rules).  (U.S. Customs and Border Protection/security) The U.S. Customs and Border Protection (CBP) now requires, as part of the Security Filing, commonly known as the 10+2 initiative, that importers and vessel operating carriers provide additional advance trade data to CBP. Among other things, this regulation requires carriers to submit a vessel stow plan for vessels destined to the United States.  The vessel stow plan must include the following standard information relating to the vessel and each container laden on the vessel: 1) Vessel Name, 2) Vessel Code (IMO Code), 3) Voyage Number, 4) Container Operator, 5) Equipment Initial, 5a) Equipment Number, 5b) Equipment Number check Digit, 6) Equipment Size/Type Code, 6a) Equipment Length, 6b) Equipment Height, 6c) Equipment Width, 7) Stowage Position, 8) Hazardous Material Code,

	8a) Hazardous Material Code Qualifier, 9) Port of Lading, 10) Port of Discharge. CBP also requires the inclusion of the last Foreign Departure Port with Date/Time as well as the first U.S. Arrival Port with the Date/Time. For more details, contact U.S. Customs and Border Protection at: <a href="http://www.cbp.gov">www.cbp.gov</a> .
<b>vessel ton</b>	(shipping/measurement) A unit of measurement in the shipping industry assuming that 100 cubic feet of cargo equals one ton.
<b>veterinary health certificate</b>	A document issued by a program-certified veterinarian and verified by an authorized national entity attesting that an animal or animals have been visually or comprehensively tested and have been found free of evidence of disease and pests except as noted. A veterinary health certificate is usually required for the importation or exportation of animals, especially pets.
<b>videoconferencing</b>	A conference between two or more individuals at different locations using telephone lines or computer networks to transmit and receive audio and video of the participants in real time.
<b>Vienna Sales Convention</b>	See United Nations Convention on Contracts for the International Sale of Goods (CISG).
<b>vis major</b>	(law) A major force or disturbance, usually a natural cause, that a person cannot prevent despite exercise of due care. Floods and labor strikes are examples of vis major events.
<b>visa</b>	(general) A certificate or stamp placed in a passport by a foreign government's embassy, consular office or other representative. It permits the holder to either visit (tourist visa) conduct business in (business visa), work (work permit or visa) in, or immigrate (residency or immigration visa) to the issuing country for a specified time.  (customs) A license issued by the government of an exporting country for the export to a specific importing country of a certain quantity of a quota controlled commodity (such as textiles) subject to a voluntary export restriction or a voluntary restraint agreement.
<b>visa waiver</b>	A program of selected countries to eliminate their visa requirement on a test basis.
<b>void ab initio</b>	(law) Invalid from the time of initiation. A contract, for example, that violates law or public policy is void ab initio, that is, it is invalid when it is made.
<b>void contract</b>	(law) An agreement that has no legal effect and that cannot be ratified or otherwise made effective. A contract that requires the performance of an illegal act, for example, is void and cannot become effective.
<b>voidable contract</b>	(law) An agreement that is valid but that one party may declare invalid because of a defect or illegality in making it. A contract that is entered into in reliance on a fraudulent misrepresentation, for example, will be enforced against the party that committed the fraud, but the party harmed by the misrepresentation may elect to void the contract.
<b>volatility</b>	(foreign exchange) The measure of the relative deviation of a price from the mean.
<b>volume rate</b>	(shipping) A rate applicable in connection with a specified volume of freight.
<b>voluntary export restriction</b>	An understanding between trading partners in which the exporting nation, in order to reduce trade friction, agrees to limit its exports of a particular good. Also called voluntary restraint agreement. See voluntary restraint agreements.
<b>voluntary restraint agreements (VRA's)</b>	Informal bilateral or multilateral arrangements through which exporters voluntarily restrain certain exports, usually through export quotas to avoid economic dislocation in an importing country and to avert the possible imposition of mandatory import restrictions.  These arrangements do not involve an obligation on the part of the importing country to provide "compensation" to

	the exporting country, as would be the case if the importing country unilaterally imposed equivalent restraints on imports. See voluntary export restriction; quota; visa.
<b>voyage</b>	(shipping) (a) A vessel's complete journey from her home port through all of her ports-of-call back to her home port. (b) The journey of a cargo consignment from its origin to its final destination.
<b>voyage (specific) policy</b>	(marine cargo insurance) An insurance policy that covers a specific shipment of goods on a one-time-only basis. This type of policy is appropriate for those shippers who make only a few shipments per year or are just starting out in the import/export business. The policy covers a single shipment (voyage), and a new policy must be taken out for each additional shipment. Voyage policies are also used by firms to cover a special or unusual shipment. See also open cover policy, contingency policy.
<b>war clause</b>	(insurance) An insurance clause included in policies to cover against losses as a result of war. See war risk.
<b>war risk</b>	(insurance) The risk to a vessel, its cargo and passengers by aggressive actions of a hostile nation or group.
<b>war risk insurance</b>	<p>(insurance) Insurance coverage against war risks as outlined in detail in some dozen rather specific paragraphs of an insurance policy. The policy conditions must be read for complete understanding. In general, they cover risks of capture and seizure, destruction or damage by warlike operations in prosecution of hostilities, civil wars and insurrections or in the application of sanctions under international agreements. Delay or loss of market is excluded. Loss or expense arising from detentions, nationalization of the government to or from which the goods are insured or seizure under quarantine or customs regulations is also excluded.</p> <p>War risk insurance generally attaches as goods are first loaded on board a vessel at the port of shipment, and it ceases to attach as goods are landed at the intended port of discharge or on expiry of 15 days from arrival of the overseas vessel whichever first occurs. It includes transshipment and intermediate overland transit to an on-carrying overseas vessel, if any, but in no case for more than 15 days counting from midnight of the day of arrival of the overseas vessel at the intended port of discharge. If in transshipment, the 15-day period is exceeded, the insurance re-attaches as the interest is loaded on the on-carrying vessel. In case the voyage is terminated and the goods are discharged at a port or place other than the original port of discharge, such port or place shall be deemed the intended port of discharge.</p> <p>The war risk policy is subject to 48 hours cancellation by either party. However, it cannot be cancelled on shipments upon which insurance has already attached. Since the cancellation provision is used at times for changing the conditions of insurance the current coverage should be studied for exact understanding of the war risk policy.</p> <p>War risk insurance is routinely obtained for protection against mines and other implements of war from former wars.</p>
<b>warehouse</b>	<p>(logistics) A secured, weatherproof building where raw materials, component parts, finished products and/or freight and cargo can be stored. There are many different types of warehouses including:</p> <p>customs bonded warehouse : A warehouse where goods may be stored under the direct or indirect supervision of a country's import or export authorities.</p> <p>public warehouse : A warehouse subject to government regulation where a number of different firms may store goods.</p>

	<p>private warehouse : A warehouse operated by a manufacturing or trading firm, often adjacent to a manufacturing plant or port, used solely to store that firm's goods.</p> <p>special commodities warehouse : A warehouse designed with special facilities and authorized to store unique products such as chemicals (in tanks), grain (in elevators) and tobacco (in barns).</p> <p>temperature controlled warehouse : A warehouse that has either heating and/or refrigeration to maintain goods at a specified constant temperature.</p> <p>U.S. Customs bonded warehouse : A federal warehouse where goods remain until duty has been collected from the importer. Goods under bond are also kept here. See surety; bond; in bond.</p>
<b>warehouse receipt</b>	(shipping) An instrument (document) listing the goods or commodities deposited in a warehouse. It is a receipt for the commodities listed, and for which the warehouse is the bailee. Warehouse receipts may be either non-negotiable or negotiable.
<b>warehouse-to-warehouse</b>	(insurance) Insurance coverage of risks to a shipment of goods from the time the goods leave the warehouse for commencement of transit and continue during ordinary course of transit until delivered to final warehouse at destination, or until the expiration of 15 days (30 if destination is outside the limits of the port), whichever shall first occur. In the case of delay in excess of the time limit specified, if it arises from circumstances beyond his control, the assured is "held covered" if he gives prompt notice and pays additional premium. See Marine Extension Clause 1943 & 1952; currency (term) of insurance.
<b>warehousing</b>	(logistics) The storing, securing and managing of raw materials, component parts or finished goods in a secure location. See warehouse, bonded warehouse.
<b>warranty</b>	(law) A promise by a contracting party that the other party can rely on certain facts or representations as being true. A seller, for example, may warrant that certain products will meet a list of specifications furnished by the buyer.
<b>Warsaw Convention</b>	(shipping) Formal name: The Convention for the Unification of Certain Rules Relating to International Carriage by Air, signed in Warsaw in 1929. An international multilateral treaty which regulates, in a uniform manner, the conditions of international transportation by air. Among other things it establishes the international liability of air carriers and establishes the monetary limits for loss, damage, and delay.
<b>Wassenaar Arrangement</b>	An understanding between thirty-three nations promoting voluntary export control guidelines, as well as transparency and greater responsibility in the transfer of conventional arms and dual-use goods and technologies. Contact: Wassenaar Arrangement; Vienna Austria; Tel: [43] (1) 960-03; Fax: [43] (1) 960-031; Email form at <a href="http://www.wassenaar.org/secretariat/email.html">www.wassenaar.org/secretariat/email.html</a> ; Web: <a href="http://www.wassenaar.org">www.wassenaar.org</a> .
<b>watch</b>	<p>(a) (time measurement) A period of time during which part of a ship's crew is on duty. A ship's day is divided into five four-hour watches and two two-hour "dog" watches. The two two-hour dog watches enable the crew to avoid or "dodge" the same routine every day. Dodging the watch became known as "dogging," thence the "dog" watch. Typically, one of two or three groups of watchstanders are on duty for four hours and then off for either four or eight hours, then back to duty. See bells.</p> <p><b>WATCHES AT SEA</b></p>

	<table border="1"> <tr> <td>Middle Watch</td> <td>Midnight to 4 AM (0000-0400)</td> </tr> <tr> <td>Morning Watch</td> <td>4 AM to 8 AM (0400 - 0800)</td> </tr> <tr> <td>Forenoon Watch</td> <td>8 AM to Noon (0800 - 1200)</td> </tr> <tr> <td>Afternoon Watch</td> <td>Noon to 4 PM (1200 - 1600)</td> </tr> <tr> <td>First Dog Watch</td> <td>4 PM to 6 PM (1600 - 1800)</td> </tr> <tr> <td>Second Dog Watch</td> <td>6 PM to 8 PM (1800 - 2000)</td> </tr> <tr> <td>First Watch</td> <td>8 PM to Midnight (2000 - 0000)</td> </tr> </table> <p>(b) That part of a ship's crew that is on duty at any given time.</p> <p>(c) (weather) A forecast by a weather service that the conditions for a storm are present. Weather watches include those for tornados, severe thunderstorms, high winds, hurricanes, floods and flash floods.</p>	Middle Watch	Midnight to 4 AM (0000-0400)	Morning Watch	4 AM to 8 AM (0400 - 0800)	Forenoon Watch	8 AM to Noon (0800 - 1200)	Afternoon Watch	Noon to 4 PM (1200 - 1600)	First Dog Watch	4 PM to 6 PM (1600 - 1800)	Second Dog Watch	6 PM to 8 PM (1800 - 2000)	First Watch	8 PM to Midnight (2000 - 0000)
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<b>Watch List</b>	See Special 301.														
<b>waterway use tax</b>	(shipping) A usage fee for vessels operating on inland waterways. The fee is generally assessed as a tax on fuel used in vessels operating on the waterway.														
<b>waybill</b>	(shipping) A document prepared by a transportation line at the point of a shipment, showing the point or origin, destination, route, consignor, consignee, description of shipment and amount charged for the transportation service, and forwarded with the shipment, or direct by mail, to the agent at the transfer point or waybill destination. See bill of lading; air waybill; ocean bill of lading.														
<b>Web</b>	See World Wide Web.														
<b>Webb-Pomerene Act of 1918</b>	(U.S. law) Federal legislation exempting exporters' associations from the antitrust regulations.														
<b>Webb-Pomerene Association</b>	(U.S.) Associations engaged in exporting that combine the products of similar producers for overseas sales. These associations have partial exemption from U.S. anti-trust laws but may not engage in import, domestic or third country trade, or combine to export services.														
<b>WEEE and RoHS Directives</b>	<p>(environmental compliance) Acronyms for Waste Electrical and Electronic Equipment Directive (WEEE) and Restriction of the use of certain Hazardous Substances in Electrical and Electronic Equipment (RoHS) Directive.</p> <p>Both WEEE and RoHS are European Union Directives aimed at restricting and reducing the environmental impact of electrical and electronic products.</p> <p>WEEE (EU Directive 2002/96/EC) sets collection, recycling, and recovery targets for electrical goods.</p> <p>RoHS (EU Directive 2005/618/EC) is closely linked to WEEE and restricts the use of certain hazardous substances in all electric and electronic equipment.</p> <p>WEEE and RoHS ban the placing on the EU market of new electrical and electronic equipment containing more than agreed levels of lead, cadmium, mercury, hexavalent chromium, polybrominated biphenyl (PBB), and polybrominated diphenyl (PBDE). (PBB and PBDE are flame retardants used in some plastics.)</p> <p>Manufacturers, distributors, and individual sellers will need to understand the requirements of the WEEE/RoHS</p>														

	Directives to ensure that their products, and their components, comply. The WEEE and RoHS Directives are complex. For more information, go to the European Union website at: <a href="http://ec.europa.eu/environment/waste/wEEE/index_en.htm">http://ec.europa.eu/environment/waste/wEEE/index_en.htm</a> .
<b>weight break</b>	(shipping) Levels at which the freight rate per 100 pounds decreases because of substantial increases in the weight of the shipment. Examples of levels at which weight breaks occur (in pounds) are 100, 500, 1,000, 3,000, 5,000 and 10,000.
<b>weight ton</b>	(measurement) (a) Short ton = 2,000 pounds, (b) Long ton = 2,240 pounds, (c) Metric ton = 2,204.68 pounds.
<b>weight unit qualifier</b>	(logistics) (a) The unit of weight measure specified for use in a contract. (b) A symbol or code that represents the unit of weight measure to be used in a contract.
<b>weights and measures</b>	See the Weights and Measures Appendix.
<b>West Africa Economic Community</b>	See Economic Community of West African States.
<b>West African Economic and Monetary Union</b>	A regional alliance, WAMU (French: Union Monetaire Ouest Africaine, UEMOA) was created by treaty signed in May 1962. WAMU comprises seven French-speaking African countries: Benin, Burkina Faso, Cote d'Ivoire, Mali, Niger, Senegal, and Togo. Within WAMU, these countries share a common currency (CFA Franc) now freely convertible into the European Union Euro (i) at a fixed parity (under special arrangement with the French government), and a common Central Bank (BCEAO) responsible for the conduct of the Union's monetary and credit policies. There is also a common regional development bank. Contact: Commission de l'UEMOA; Avenue du Professeur Joseph KI-ZERBO, 01 BP 543 Ouagadougou 01, Burkina Faso; Tel: [226] 50 31 88 73; Web: <a href="http://www.uemoa.int">www.uemoa.int</a> .
<b>wharf</b>	(shipping) A man-made structure built out from the shore into a river, bay, lake or ocean and supported by piles; providing access to vessels and used for loading and unloading cargo and passengers.
<b>wharfage</b>	(shipping) (a) A charge assessed by a pier or dock owner for handling incoming or outgoing cargo, (b) The charge made for docking vessels at a wharf.
<b>with average (WA)</b>	<p>(insurance) Insurance coverage which gives the assured protection for partial damage by sea perils, if the partial damage amounts to 3% (or other percentage as specified) or more of the value of the whole shipment or of a shipping package. If the vessel has stranded, sunk, been on fire or in collision, the percentage requirement is waived and losses from sea perils are recoverable in full.</p> <p>Additional named perils may be added to the WA Clause. Theft, pilferage, nondelivery, fresh water damage, sweat damage, breakage and leakage are often covered. The combination of perils needed by a particular assured will naturally depend upon the commodity being shipped and the trade involved.</p> <p>In its standard form a typical with average clause may read:</p> <p>Subject to particular average if amounting to 3%, unless general or the vessel and/or craft is stranded, sunk, burnt, on fire and/or in collision, each package separately insured or on the whole."</p> <p>The "all risk" clause is a logical extension of the broader forms of "With Average" coverage. This clause reads:</p>

	<p>To cover against all risks of physical loss or damage from any external cause irrespective of percentage, but excluding, nevertheless, the risk of war, strikes, riots, seizure, detention and other risks excluded by the F.C.&amp;S. (Free of Capture and Seizure) Warranty and the S.R.&amp;C.C. (Strikes, Riots and Civil Commotion) Warranty in this policy, excepting to the extent that such risks are specifically covered by endorsement."</p> <p>Some types of loss are commonly excluded and others not recoverable, even under the "all risk" clauses.</p> <p>See average; particular average; general average; free of particular average; deductible average; all risk; special marine policy.</p>
<b>with particular average</b>	(insurance) Insurance covering also the loss of single cases or partial quantities (as opposed to free from particular average, fpa). See average; particular average; deductible average; all risk.
<b>without prejudice</b>	<p>(law/business) Notation that indicates to any interested party that a report or opinion is objective and unbiased.</p> <p>(insurance) An insurance claim that is paid such that it will not prejudice the assured's position with regard to future claims.</p>
<b>without reserve</b>	(shipping) A term indicating that a shipper's agent or representative is empowered to make definitive decisions and adjustments abroad without approval of the group or individual represented.
<b>won</b>	<p>The currency of:</p> <p>North Korea, won 1 =100 chon;</p> <p>South Korea, won 1 =100 jeon.</p>
<b>work in progress (WIP)</b>	(logistics) Raw materials and component parts that have entered a production cycle or process that has not been completed.
<b>World Administrative Radio Conference</b>	WARC refers to the conference convened regularly by the United Nations' International Telegraphic Union (ITU) to allocate and regulate radio frequencies for the purposes of television and radio broadcasting, telephone data communications, navigation, maritime and aeronautical communication, and satellite broadcasting. See International Telecommunications Union.
<b>World Bank</b>	<p>(banking) The International Bank for Reconstruction and Development (IBRD), commonly referred to as the World Bank, is an intergovernmental financial institution located in Washington, DC. Its objectives are to help raise productivity and incomes and reduce poverty in developing countries. It was established in December 1945 on the basis of a plan developed at the Bretton Woods Conference of 1944. The Bank loans financial resources to credit worthy developing countries. It raises most of its funds by selling bonds in the world's major capital markets. Its bonds have, over the years, earned a quality rating enjoyed only by sound governments and leading corporations. Projects supported by the World Bank normally receive high priority within recipient governments and are usually well planned and supervised. The World Bank earns a profit, which is plowed back into its capital. Contact: World Bank; 1818 H Street NW; Washington, DC 20433 USA; Tel: [1] (202) 473-1000; Web: www.worldbank.org. See International Bank for Reconstruction and Development; World Bank Group.</p>
<b>World Bank Group</b>	(banking) An integrated group of international institutions that provides financial and technical assistance to developing countries. The group includes the International Bank for Reconstruction and Development, the

	International Development Association, and the International Finance Corporation. Contact: World Bank Group, 1818 H Street NW, Washington, DC 20433; Tel: [1] (202) 473-1000; Fax: [1] (202) 477-6391; Web: <a href="http://www.worldbank.org">www.worldbank.org</a> .
<b>World Economic Forum</b>	A Geneva, Switzerland-based non-profit organization founded in 1971 by Klaus M. Schwab, a professor of business in Switzerland. The foundation is best known for its annual meeting of business and political leaders, intellectuals and journalists, and representatives of selected NGOs, usually held in Davos, Switzerland in January of each year. World Economic Forum; 91-93 route de la Capite; CH - 1223 Cologny/Geneva Switzerland; Tel: [41] (0) 22 869 1212; Web: <a href="http://www.weforum.org">www.weforum.org</a> .
<b>World Intellectual Property Organization</b>	A specialized agency of the United Nations system of organizations that seeks to promote international cooperation in the protection of intellectual property around the world through cooperation among states, and administers various "Unions," each founded on a multilateral treaty and dealing with the legal and administrative aspects of intellectual property.  WIPO administers the International Union for the Protection of Industrial Property (the "Paris Union"), which was founded in 1883 to reduce discrimination in national patent practices, the International Union for the Protection of Literary and Artistic Works (the "Bern Union"), which was founded in 1886 to provide analogous functions with respect to copyrights, and other treaties, conventions and agreements concerned with intellectual property. Contact: World Intellectual Property Organization; 34, chemin des Colombettes; P.O. Box 18; CH-1211 Geneva 20, Switzerland; Tel: [41] (22) 338-9111; Web: <a href="http://www.wipo.int">www.wipo.int</a> . See patent; copyright; service mark; trademark; Patent Cooperation Treaty.
<b>World Meteorological Organization</b>	The WMO facilitates worldwide cooperation in establishing a network for meteorological, hydrological, and geophysical observations, for exchanging meteorological and related information, and for promoting standardization in meteorological measurements. Contact: World Meteorological Organization; 7 bis Avenue de la Paix; CP 2300, 1211 Geneva 2, Switzerland; Tel: [41] (22) 730-8111; Web: <a href="http://www.wmo.int">www.wmo.int</a> .
<b>World Tourism Organization (WTO)</b>	An intergovernmental technical body dealing with all aspects of tourism. The WTO promotes and develops tourism as a means of contributing to economic development, international understanding, peace, and prosperity. Headquarters Contact: World Tourism Organization; Calle Capitan Haya 42, E-28020 Madrid, Spain; Tel: [34] (91) 567-8100; Web: <a href="http://www.unwto.org">www.unwto.org</a> .
<b>world trade clubs, world trade centers</b>	Local or regional based organizations in the United States and around the world of importers, exporters, customs brokers, freight forwarders, attorneys, bankers, manufacturers and shippers.  Each world trade club provides different services and activities, but many provide: information services including data bases and libraries, educational services including seminars and regularly scheduled classes, meeting space, club atmosphere, dining, exhibit facilities, and trade missions. Most major cities in the world have world trade clubs. For a list of world trade clubs internationally contact: World Trade Centers Association (WTCA); 420 Lexington Avenue, Suite 518; New York, NY 10170 USA; Tel: [1] (212) 432-2626; Fax: [1] (212) 488-0064; Email: <a href="mailto:wtca@wtca.org">wtca@wtca.org</a> ; Web: <a href="http://world.wtca.org">http://world.wtca.org</a> .
<b>World Trade Institute (WTI) (pre-June 20, 2005)</b>	(Historic) Associated with Pace University (New York City) since 1997, the WTI was one of the world's foremost educational institutions and resources for the international business and financial community. Its programs included conferences and seminars, the School of International Trade & Commerce (SITC), the WTI Language Center,

	<p>international training programs and academic partnership programs. Pace University ceased operations of the World Trade Institute on June 30, 2005. For archival information and links, go to <a href="http://www.pace.edu/page.cfm?doc_id=15453">www.pace.edu/page.cfm?doc_id=15453</a>.</p>
<b>World Trade Organization (WTO)</b>	<p>The WTO is the premier international organization seeking to deal with the global rules of trade between nations. Created by the Uruguay Round of trade negotiations (1986-1994) of the GATT (General Agreement on Tariffs and Trade), the WTO was established 1 January 1995, and is comprised of 153 nations with others actively seeking membership. Contact at: World Trade Organization; Centre William Rappard; Rue de Lausanne 154; CH-1211 Geneva 21, Switzerland; Tel: [41] (22) 739-5111; Web: <a href="http://www.wto.org">www.wto.org</a>.</p> <p>WTO Objective.</p> <p>The WTO's stated objective is to help trade flow smoothly, freely, fairly and predictably. It does this by administering WTO trade agreements, acting as a forum for international trade negotiations, settling trade disputes, monitoring national trade policies, assisting developing countries in trade policy issues through technical assistance and training programs, and cooperation with other international organizations.</p> <p>The activities of the WTO are based on the implementation of multilateral trade agreements which have been negotiated and signed by a majority of the world's trading nations, and ratified by their parliaments. These agreements are contracts guaranteeing member countries important trade rights. They also bind governments to keep their trade policies within agreed limits to the benefit of the whole.</p> <p>WTO Structure.</p> <p>The WTO is run by its member governments. Major decisions are made by the membership as a whole, either by ministers (who meet every two years at a ministerial conference) or by officials (who meet regularly in Geneva). Decisions are normally made by consensus.</p> <p>The ministerial conference can make decisions on all matters under any of the multilateral trade agreements. Day-to-day work in between the ministerial conferences is handled by three bodies: 1) The General Council, 2) The Dispute Settlement Body, and 3) The Trade Policy Review Body. All three are called The General Council, although they meet under different terms of reference.</p> <p>Three more councils, each handling a different broad area of trade, report to the General Council. These are: 1) The Council for Trade in Goods (Goods Council), 2) The Council for Trade in Services (Services Council), and 3) The Council for Trade-Related Aspects of Intellectual Property (TRIPS Council).</p> <p>Additional groups report to the General Council. The scope of their coverage is smaller, so they are called "committees." These committees cover such issues as trade and development, the environment, regional trading agreements, investment and competition policy, government procurement, trade facilitation, and others.</p> <p>Each of the higher-level councils has subsidiary bodies. For example, the Goods Council has 11 committees dealing with specific subjects such as agriculture, market access, subsidies, anti-dumping, and others.</p>

	<p>The most difficult issues are not resolved in these upper level councils, but rather in much smaller meetings with representatives from as many as 40 countries to as few as two countries.</p> <p>Successes.</p> <p>The WTO (and its predecessor GATT) has played a major role in the following areas: the reduction of tariffs on manufactured goods and agricultural products, the opening of banking, insurance and telecommunications markets to foreign competition, standards for the protection of intellectual property rights, food safety regulations, and bans on local preferences for government purchasing.</p> <p>Challenges.</p> <p>With all its successes, the WTO is challenged by disputes by member nations to: 1) tariffs--lower or eliminate tariffs on agricultural, aquaculture and forest products, scientific, environmental and medical equipment, and chemicals, 2) agricultural subsidies--eliminate government subsidies to agriculture that set artificially low prices for agricultural products (thus hurting exporters), 3) intellectual property rights--either strengthen intellectual property rights (primarily proposed by advanced western nations that are home to major pharmaceutical companies) or establish exemptions from such rules (primarily proposed by developing nations that desire cheap access to drugs to treat HIV/AIDS and other health problems), 4) environment--establish more stringent rules designed to protect the environment, 5) services--continue to open up such service industries such as banking, insurance and medical technology, as well as maintain a tax-free status on Internet commerce, 6) genetically modified food products--give nations more latitude in their ability to exclude genetically altered food products based on public health or environmental concerns, 7) labor--open discussions on how international trade affects labor and possibly to establish international labor standards in the areas of child labor, health, and safety issues, and 8) transparency--make the WTO more transparent by eliminating secretive practices.</p> <p>World Trade Organization; Centre William Rappard; Rue de Lausanne 154; CH-1211 Geneva 21; Switzerland; Tel: [41] (22) 739-5111; Web: <a href="http://www.wto.org">www.wto.org</a>. WTO Information and Media Relations Division; Tel: [41] (22) 739-50-07. WTO Publications: Tel: [41] (22) 739-52-08 / 739-53-08.</p> <p>See General Agreement on Tariffs and Trade, Tokyo Round, Uruguay Round.</p>
<b>World Wide Web (WWW)</b>	(Internet) The international network of electronic links that connect personal computers with computer servers. Also referred to as 'the Web'.
<b>Worldscale</b>	(shipping) A schedule of nominal ocean shipping freight rates for the carriage of oil in bulk intended to be used as a standard of reference to compare rates for all voyages and market levels. The oil maritime transportation industry uses the Worldscale rates to express the market level in terms of percentage of the Worldscale nominal freight rate. For example, Worldscale 100 (or Worldscale Flat) is the rate calculated and published by the Worldscale Associations. Worldscale 150, or WS 150 as it is most often expressed, means 150 percent of the published rate, while WS 50 means 50 percent of that rate. The Worldscale schedule was first issued on September 15, 1969 as a replacement for the London-issued International Tanker Normal Freight Scale and the New York-issued American

	<p>Tanker Rate Schedule.</p> <p>Worldscale Association (London) Ltd.; Copenhagen House; 5-10 Bury Street; London EC3A 5AT; Tel: [44] (0)20 7456 6600; Web: www.worldscale.co.uk.</p> <p>Worldscale Association (New York) Inc.; 116 John Street, Suite 620; New York, NY 10038 USA; Tel: [1] (212) 422-2786; Web: www.worldscale.co.uk.</p>
<b>Writ</b>	(law) A judicial order to a person, often a sheriff, judge, or another officer of the law, to perform a specified act or to have the act performed. Writs of attachment, execution, and replevin are examples of writs that courts issue to require officials to carry out court judgments. See attachment; execution; replevin.
<b>Writer</b>	(foreign exchange) The party which writes an option (also known as the option seller). The writer undertakes the obligation to carry out the conditions of the options contract according to the choice of the option buyer during the whole life to maturity of the option. For this he receives a premium which is paid to him by the buyer of the option.
<b>WTO</b>	See World Trade Organization (WTO).
<b>Yen</b>	The currency of Japan. ¥1=100 sen (not used).
<b>Yuan</b>	The currency of China. ¥1=10 jiao.
<b>Zaibatsu</b>	See keiretsu.
<b>zaire</b>	The currency of Zaire. 1Z=100 makuta.
<b>Zangger Committee</b>	Examines controls enacted pursuant to the Nuclear Nonproliferation Treaty by refining the list of items requiring nuclear safeguards. The Zangger Committee consists of 23 Nuclear Non-Proliferation Treaty (NPT) nuclear supplier nations and includes all nuclear weapons states except France and China. Through a series of consultations in the early 1970's, the countries of the Zangger Committee compiled a "trigger list" of nuclear materials and equipment. The shipment of any item on the list to a non-nuclear weapons state "triggers" the requirement of International Atomic Energy Agency (IAEA) safeguards. Since the Zangger Committee is associated with the NPT, its members are obligated to treat all non-nuclear weapons parties to the treaty alike. For fear of discrediting the NPT, the Zangger countries cannot target strict nuclear controls toward certain nations with questionable proliferation credentials; the NPT binds them to assist non-nuclear weapons states with peaceful atomic energy projects. See International Atomic Energy Agency; Nuclear Non-Proliferation Treaty.
<b>zero-sum</b>	(economics) The concept that one side's gains are directly offset by the other side's losses in business or negotiations. When all the gains and losses from each side are totalled, the sum is zero. Compare to positive-sum.
<b>zip code</b>	(shipping) A numerical code, established by the U.S. Postal Service, used for the purpose of routing and to identify delivery zones. Some U.S. carriers apply this code for freight in the same manner.
<b>zloty</b>	The currency of Poland. z? 1 =100 groszy.
<b>zone</b>	(shipping) Any one of a number of sections or districts of the United States or of the world used for the purpose of establishing proper rates for parcels, mail, and pickup and delivery.
<b>zone price</b>	(logistics) The price or rate to transport mail, cargo or freight to any location within a zone. See zone.
<b>zone status</b>	(U.S. foreign trade zones) The legal status of merchandise which has been admitted to a U.S. foreign trade zone, thereby becoming subject to the provisions of the Foreign Trade Zone Act (FTZA). See foreign trade zone; Foreign Trade Zone Board; Foreign Trade Zone Act; grantee; operator; zone user; subzones.

<b>zone user</b>	(U.S. foreign trade zones) A corporation, partnership or party that uses a U.S. foreign trade zone for storage, handling, processing, or manufacturing merchandise in zone status, whether foreign or domestic. Usually, the zone user is the party which requests a Customs permit to admit, process or remove zone status merchandise. In subzones, the operator and zone user are usually the same party. Users pay the grantee or operator for services such as rent on facilities, storage, handling, promotion and similar services. See foreign trade zone; Foreign Trade Zone Board; Foreign Trade Zone Act; operator; zone user; subzones; zone status.
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