

Term	Explanation
<b>Ad Valorem</b>	This is a Latin term meaning "according to the value". All duties and taxes are calculated on the basis of value.
<b>Bonded Goods</b>	These are goods stored in a secure warehouse whilst awaiting further transit or the payment of import duties.
<b>Break Bulk Express (BBX)</b>	An international express door to door service for consolidating individual shipments going to a single country destination or Customs union. On arrival the consolidated shipment is cleared through Customs as one shipment before being broken down and delivered to individual addresses.
<b>Brokerage</b>	Often refers to customs brokerage, where a third party is used for the clearance of inbound or outbound shipments.
<b>Cargo Manifest</b>	A Cargo Manifest lists the goods carried in a means of transport or in a transport-unit. The manifest gives the commercial details of the goods.
<b>Certificate of Origin</b>	This is a specific document that expressly certifies that the goods to which the certificate relates, originate in a specific country. This Certificate may also include a declaration by the manufacturer, producer, supplier, exporter or other competent person.
<b>Commercial Invoice</b>	The most common invoice and one that denotes a commercial/business transaction. The invoice must be in English unless the destination country specifies otherwise. Be aware that inaccurate Commercial Invoices are a major cause of clearance delays.
<b>Country of Origin</b>	Country of Origin relates to the place of manufacture and not the country of export. If items are manufactured in more than one country, list the origins on the commercial invoice.
<b>Customs Duties</b>	A customs duty is a charge imposed by the custom authorities in the country you are sending to .The receiver is responsible for paying any duties and taxes that may apply.
<b>Declared Value</b>	The value on the commercial invoice should be purchase value of the item + freight + insurance. These should be itemised on the commercial invoice. This is also known as the transaction value.
<b>Export Licences</b>	Customs use licences to control the movement of goods that are strategic, regulated or subject to duty relief, across borders. Exporting or importing controlled goods without the right licence is a criminal offence. There are controls on exports of military goods, technology, artwork, plants and animals, medicines and chemicals. Requirements may also depend on the potential use of the item and where the goods are being exported. Either a licence number or declaration, 'NO LICENCE REQUIRED', must be stated on the Commercial or Pro-forma invoice.
<b>Free Trade 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 areas without paying customs duties and taxes. This is always pending eventual processing, trans-shipment or re-exportation. Free zones were once numerous and prosperous when tariffs were higher many years ago. Some still exist in capital cities, transport junctions and major sea ports, but their number and prominence have declined as tariffs have fallen in recent years. Free zones may also be known as "free ports", "free warehouses", "free trade zones" and "foreign trade zones".
<b>Fuel Surcharge (Air)</b>	A variable surcharge applied monthly based on the fluctuating cost of fuel which impacts on operational costs. The fuel surcharge may rise, fall or be removed, in line with movements in fuel prices. The current month's fuel surcharge is based on prices incurred two months earlier.
<b>Harmonised Tariff Codes or HS Codes</b>	The Harmonised System covers 98% of world trade and provides a product with an identification code that is used around the world. This HS code is used to determine the duty and taxes at destination. Incorrect tariff codes will either cause delays or mean the wrong duty is applied. These are also used during the export process.
<b>Landed Cost</b>	The cost of the imported goods at the port or point of entry into a country, including the cost of freight, insurance and port and dock charges. All charges occurring after the goods leave the import point are not included.
<b>POD</b>	Proof of Delivery. Can be hardcopy or electronic and will include full delivery details.
<b>Pro-forma Invoice</b>	These are used when the goods are being supplied without a commercial transaction, so are gifts, samples or are sent intercompany. The layout and function is similar to the Commercial Invoice. Be aware that values should be market or replacement values and some destinations will only accept Commercial Invoices.
<b>Remote Area Service (RAS)</b>	Remote Area Service (RAS) is an additional charge applied when delivery is to a remote or distant area but it also can apply to areas that have limited business density. This charge covers the additional costs of servicing that postcode or town.
<b>Transit Times</b>	The number of working days it takes for your parcel to be delivered.
<b>Volumetric Weight</b>	If you are sending a large but lightweight parcel you may be charged on the space it takes up on the aircraft, rather than its actual weight.

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<b>CUSTOMS</b>	
<b>Clearance in Air (CIA)</b>	Clearance of shipments by customs before they arrive at their destination.
<b>Customs Registration Number (CR)</b>	Recommended for all exports – most countries require importers to be registered with the local customs authorities. Import Clearance can be delayed without this.
<b>Deferment Account</b>	A Deferment Account is a credit facility that enables importers to defer Duty and VAT payments. Duties and taxes paid by DHL prior to clearance are reclaimed from the importer.
<b>Formal Entry</b>	This term applies to both Imports and Exports and describes a full customs declaration which is presented to Customs.
<b>Temporary Import / Export (ATA Carnet)</b>	Temporary import and return of items once repaired. Acts like a passport that physically travels with the shipment, simplifying formalities and free of duties and tariffs. Issued by certified Chambers of Commerce.

<b>IMPORTING</b>	
<b>De-Minimus</b>	Comes from Latin; “de minimis non curat lex” meaning “the law does not care about very small matters”. It refers to items that are below the duty limits set by Customs and so do not require detailed clearance and can be cleared in bulk.
<b>Informal Clearance</b>	Items can be cleared through Customs under simplified procedures, along with other items in a consolidated entry.
<b>Formal Clearance</b>	Items by type or value that cannot be cleared through Customs under simplified procedures and therefore need a detailed entry.

<b>INCOTERMS</b>	
<b>Incoterms</b>	International Commercial Terms govern international trade by making clear the responsibilities of the shipper and buyer, and who is responsible for risks and costs. There are different Incoterms for Air and Sea transport.
<b>Carriage Insurance Paid (CIP)</b>	Similar to CPT but the seller has added responsibilities and costs for insurance during transportation.
<b>Carriage Paid To (CPT)</b>	The seller completes the export formalities and pays transport to the final destination. The buyer takes the risk once the items are delivered to the carrier. Import costs including Duty and Taxes are paid by the buyer.
<b>Deliver Duty Paid (DDP)</b>	The seller is responsible for transport, export process and import duty/taxes to the final destination.
<b>Delivered at Place (DAP)</b>	The seller is responsible for all export procedures and to deliver the shipment to a named place. The risk of loss or damage passes to the buyer once delivery has been made to the named place or terminal (port or airport).
<b>Ex Works (EXW)</b>	The buyer pays for all transport and duties/taxes into the destination country. In DHL terms this is Duties and Taxes Paid or DTP.
<b>Free Carrier (FCA)</b>	The seller must deliver the goods, ready for export, to a named carrier.