EUROMED TRADE HELPDESK’S GLOSSARY

Ad valorem equivalent (AVE)
An AVE is a tariff presented as a percentage of the value of goods cleared through customs. It is the equivalent of a corresponding specific tariff measure based on unit quantities such as weight, number or volume. There are several methodologies for calculating AVEs. The method chosen depends on the intended application of the data. Most important to the process of calculating an AVE is the way the Unit Value of the product is calculated. The unit value is the value of each unit quantity imported of a product. It is based on the total value of imports of that product divided by the quantity of imports.

Ad valorem tariff
An ad valorem tariff is a tariff expressed as a percentage of the value of goods cleared through customs. For example, 15 percent ad valorem tariff means 15 percent of the value of the entered merchandise.

Additional taxes and charges
Additional taxes and charges are additional charges, which are levied on imported goods in addition to customs duties and surcharges and which have no internal equivalents. They include tax on foreign exchange transactions, stamp taxes, import licence fees, consular invoice fees, statistical taxes and tax on transport facilities. See multi-agency classifications of NTMs.

AGADIR Agreement
The government of the Kingdom of Morocco, the government of the Kingdom of Jordan, the government of the Republic of Tunisia and the government of the Arab Republic of Egypt. In fulfilment of the “Agadir Declaration” signed between government of the Kingdom of Morocco, the government of the Kingdom of Jordan, the government of the Republic of Tunisia and the government of the Arab Republic of Egypt in the city of Agadir on 8 May 2001, concerning the establishment of a free trade area comprising Arab Mediterranean countries.

Anti-dumping measure
An anti-dumping measure is a counter measure taken against a dumping action of an exporter. It is considered that dumping takes place when a product is introduced into the commerce of an importing country at less than its normal value, i.e. if the export price of the product exported is less than the comparable price, in the ordinary course of trade, for the like product when destined for consumption in the exporting country. See multi-agency classifications of NTMs.

Applied tariffs
Applied tariffs or applied tariff rates are considered to be the tariff rates applied by a customs administration on imported goods. They are the rates published by national customs authorities for duty administration purposes. These rates are often lower than the WTO bound rates.

Bilateral agreement
A bilateral agreement is an agreement between two parties, as opposed to a multilateral agreement, which is among several parties.

Binding coverage
Binding coverage is the percentage of product lines with an agreed bound tariff rates.

Common external tariff
A tariff rate that is applied uniformly by a common market or customs union to imports from countries outside the union. The European Common market for example is a free internal trade area with a common external tariff applied to products imported from non-member countries.

Compound tariff
A compound tariff is a tariff that combines an ad valorem duty to which is added or subtracted a specific duty (e.g.: 10% plus $2 per kg; 20% less $2 per kg).

Customs duty
Custom duties are tariffs levied at the border on goods entering or leaving the country. These charges are specified in the national tariff schedule.

Decreed customs valuation
A decreed customs valuation is a practice to determine the value of goods by a decree for the purpose of imposition of customs duties and other charges. It is applied as a mean to avoid fraud or to protect domestic industry. The decreed value de facto transforms an ad-valorem duty into a specific duty (e. g. the so-called "valeur mercuriale" in Francophone countries). Decreed customs valuation can be appealed according to the WTO rules.

Developed country
The term developed country is used to describe countries that have a high level of development according to certain criteria. Which criterion, and which countries are classified as being developed, is a contentious issue. Economic criteria have tended to dominate discussions. One such criterion is income per capita; countries with high gross domestic product (GDP) per capita would thus be described as developed countries. Another economic criterion is industrialization; countries in which the tertiary and quaternary sectors of industry dominate would thus be described as developed. More recently another measure, the Human Development Index (HDI), which combines an economic measure, national income, with other measures, indices for life expectancy and education has become prominent. This criterion would define developed countries as those with a very high (HDI) rating. However, many anomalies exist when determining "developed" status by whichever measure is used.

Developing country
Developing country is a term generally used to describe a nation with a low level of material well-being. Since no single definition of the term developed country is recognized internationally, the levels of development may vary widely within so-called developing countries.

Direct data

Data that was directly reported by a country and entered into the relevant database. No calculations were performed to approximate this data.

Dumping
Dumping occurs when goods are exported at a price lower than their normal value, generally meaning they are exported for less than they are sold in the domestic market or third-country markets, or at less than production cost

Euromed Trade Helpdesk
Also called (TIFM) project is an online portal to facilitate closer economic ties between the European Union and South Mediterranean countries as well as to improve economic integration between these countries, by providing an online portal of trade related information and coordination a network of national institutions to respond to enquiries about doing business in the region including Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Turkey, Tunisia, Palestine, and the European Union.

European Union (EU)
The EU is an economic and political partnership between 28 European countries. Growing from an economic union in 1958, it has evolved into an organisation spanning policy areas, from development aid to environment. A name change from the EEC to the European Union (EU) in 1993 reflected this. The single or 'internal' market is the EU's main economic engine, enabling most goods, services, money and people to move freely. For more information see http://europa.eu/about-eu/index_en.htm

Export restrictions
Export restrictions are restrictions on goods exported to a specific country or countries by the government of the exporting country for reasons such as a shortage of goods in the domestic market, regulating domestic prices, avoiding antidumping measures or for political reasons.

Final bound rates
Final bound rates are ceiling rates as listed at the end of a WTO members' "schedule" or lists of commitments (adapted from WTO definition). The rates of a tariff schedule may change while the commitment is in effect, and only the final rates at the end of the commitment period make up final bound rates.

Finance measures
Finance measures are intended to regulate the access to and cost of foreign exchange for imports and define the terms of payment. They may increase import costs in the same manner as tariff measures.

Free trade agreement (FTA)
A negotiated treaty among two or more countries to form a free trade area. As a result, tariffs are reduced to 0%. However, FTAs agreed between countries may not cover all traded products. Therefore, it is possible that MFN rates or General tariffs (in the case of non-WTO members) continue to apply for certain products between two countries that have signed an FTA. Note that an FTA can also be implemented gradually so the applied tariff levied on a product covered by the FTA can exceed 0% during the implementation phase.

Free trade area

A group of countries that adopt free trade (zero tariffs and no other policy restrictions) among themselves, while not necessarily changing the barriers that each member country has on trade with the countries outside the group.

General Agreement on Tariffs and Trade (GATT)
GATT is a multilateral treaty regulating trade policy. It has been superseded by the WTO. GATT 1947 is the official legal term for the old (pre-1994) version of the GATT. GATT 1994 is the official legal term for the new version of the General Agreement, incorporated into the WTO, and including GATT 1947.

General tariff
The general tariff is a duty on a product levied against imports from a country that is not granted most favoured nation status and is not subject to a preferential arrangement.

Generalized System of Preferences (GSP)
A system of tariff preferences for developing countries, by which developed countries let certain manufactured and semi-manufactured imports from developing countries enter at lower tariffs than the same products from developed countries.

GSTP Agreement
The Agreement on the Global System of Trade Preferences among Developing Countries (GSTP) was established in 1988 as a framework for the exchange of trade preferences among developing countries in order to promote intra-developing-country trade. The idea received its first political expression at the 1976 ministerial meeting of the Group of 77 (G77) in Mexico City and was further developed at G77 ministerial meetings in Arusha (1979) and Caracas (1981). In 1988, the text of the Agreement was adopted and the first round of negotiations concluded in Belgrade. To date, 43 countries have ratified/acceded to the Agreement: Algeria, Argentina, Bangladesh, Benin, Bolivia, Brazil, Cameroon, Chile, Colombia, Cuba, Democratic People´s Republic of Korea, Ecuador, Egypt, Ghana, Guinea, Guyana, India, Indonesia, Iran, Iraq, Libya, Malaysia, Mexico, Morocco, Mozambique, Myanmar, Nicaragua, Nigeria, Pakistan, Peru, Philippines, Republic of Korea, Romania, Singapore, Sri Lanka, Sudan, Thailand, Trinidad and Tobago, Tunisia, Tanzania, Venezuela, Viet Nam and Zimbabwe.

Harmonized System (HS)
The Harmonized System is an international nomenclature for the classification of products. It allows participating countries to classify traded goods on a common basis for customs purposes. At the international level, the Harmonised System for classifying goods is a six-digit code system. The HS comprises approximately 5000 article/product descriptions that appear as headings and subheadings, arranged in 97 chapters, grouped in 21 sections. The six digits can be broken down into three parts. The first two digits (HS-2) identify the chapter the goods are classified in, e.g. 09 = Coffee, Tea, Maté and Spices. The next two digits (HS-4) identify groupings within that chapter, e.g. 09.02 = Tea, whether or not flavoured. The next two digits (HS-6) are even more specific, e.g. 09.02.10 Green tea (not fermented) in immediate packings of a content not exceeding 3 kg. Up to the HS-6 digit level, different countries classification codes are identical. Beyond this, countries are free to introduce national distinctions for tariffs by adding more digits to make the HS classification of products even more specific. This greater level of specificity is referred as the national tariff line level. For example the United States of America adds another four digits to its exports and imports to classify them in greater depth. The Harmonised System was formally known

as the Harmonised Commodity Description and Coding System. It was developed by the World Customs Organization and has been adopted by most trading nations

Import monitoring
Import monitoring is a measure to monitor the import value and volume of specified products. It may be applied with the purpose of signalling concern over import surges.

Inside quota tariff rate (IQTR)
The tariff rate applicable to a product imported within the limits of a tariff quota volume.

Internal taxes and charges levied on imports
GATT Article III permits the application of internal taxes and charges on imports so long as they are treated in the same way as domestic production. The general sales tax levied on imports is the equivalent of those internal taxes that are applied to all or most products. There are three types of internal taxes: sales tax, which is an ad valorem tax based on the gross receipt of sales of goods; turnover tax, which is a tax imposed at more than one level of production and distribution and is based on grow receipts, resulting in a cumulation of taxes; value added tax, which is a modified turnover tax based on the net value added instead of on the gross receipts, avoiding the cumulation of taxes and not affecting the price structure and the allocation of resources. The excise tax levied on imports is the equivalent of the excise tax on domestic products, which is an internal tax imposed on selected products, usually of a luxurious or non-essential nature, such as alcoholic beverages and tobacco. This tax is levied separate from, and in addition to, the general sales taxes. Sumptuary taxes, luxury taxes, commodity or consumption taxes all have the same nature as the excise tax. In some countries the consumption tax is similar to a sales tax, being applicable to all products, while in other countries, generally applied taxes are sometimes called excise taxes.

International Trade Centre (ITC)
The International Trade Centre (ITC) is a Geneva based technical cooperation agency founded in 1964. ITC's mission is to foster sustainable economic development and contribute to achieving the Millennium Development Goals in developing countries and countries with economies in transition through trade and international business development.

League of Arab States
The Arab League is an organization that consists of independent Arab States on the territory of northern and north-eastern part of Africa and southwest Asia. Representatives of the first six member states – Egypt, Iraq, Jordan, Lebanon, Syria and Saudi Arabia – that initiated the league’s formation signed the agreement in Cairo, on March 22, 1945. Since then, 16 more states joined the organization (Algeria, Bahrain, Comoros, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Lybia, Mauritania, Morocco, Oman, Palestine, Qatar, Saudi Arabia, Somalia, Sudan, Tunisia, United Arab Emirates, and Yemen). Like similar organizations in the world whose goal is to look after their members’ economic, political, cultural, national and religious interests, the Arab League has been active in helping the Arab world grow economically and culturally, while finding solutions to resolve conflicts both within the league and outside of it.

Least developed countries (LDC)

Least developed countries (LDCs) are defined by the Committee for Development Policy (CDP) as low-income countries suffering from the most severe structural impediments to sustainable development. These handicaps are manifested in a low level of human resource development and a high level of structural economic vulnerability. As a subsidiary body of the UN Economic and Social Council, CDP is mandated to review the category of LDCs every 3 years. As of 2011, CDP uses 3 main criteria to identify LDCs: gross national income (GNI) per capita, the Human Assets Index (HAI) and the Economic Vulnerability Index (EVI). You can view the list of LDCs here.

Local content measures
Local content measures are requirement to use certain minimum levels of locally made component, restricting the level of importing components (e.g. Imports of clothing is allowed only if more than 50% of the materials used are originating from the importing country). See multi-agency classifications of NTMs.

Mirror data
Mirror trade data are partner country statistics used to approximate non-reported data. Mirror data have shortcomings. For example, it does not cover trade with other non-reporting countries, and inverts the reporting standards by valuing exports in CIF terms and imports in FOB terms.

Mixed tariff
A mixed tariff is a rate of duty that is based on a conditional choice between an ad valorem duty and a specific duty, subject to an upper (ceiling) and/or a lower (floor) limit (e.g.: 30% or £2 per kg, whatever is the highest).

Most favoured nation tariffs (MFN tariffs)
MFN tariffs are the tariffs applied by WTO members to goods imported from other WTO member countries. WTO members have the option to extend the MFN rates to countries that are not WTO members. For non WTO members the application of these rates may be a requirement of a bilateral trade agreement. Article 1 of the General Agreement on Tariffs and Trade (GATT) lays down the principle of Most Favoured Nation treatment (MFN). The MFN clause states that a member of the GATT must grant equal treatment to goods and services from all GATT members. Every time a WTO member improves the benefits that it gives to one trading partner, it has to give the same "best" treatment to all other WTO members. The MFN principle applies to all tariffs - whether or not they have been subject to negotiations between GATT members - as well as to all policy measures affecting imports or exports. However, there are some exceptions to the MFN principle:

GATT article XXIV allows countries that are seeking regional integration to reduce their tariffs below the MFN rate if the following conditions are met: tariff and other barriers to trade among the contractors of the agreement must be eliminated substantially for all products within a reasonable period of time; regional integration must not worsen the market access conditions granted to other WTO members previous to the enforcement of the agreement.

Derogations to the MFN treatment are also conceded to developing countries, in respect of specific conditions, by the signatories of the GATT (i.e. Contracting Parties) Decision of 25 June 1971, relating to the establishment of "Generalized, non-reciprocal and non-discriminatory preferences beneficial to the developing countries" (BISD 18S/24) and the

Decision of 28 November 1979 on "Differential and More Favourable Treatment, Reciprocity, and Fuller Participation of Developing Countries" (L/4903), also known as the "Enabling Clause".

Another exception derives from the Marrakesh Agreement (establishing the World Trade Organization) article XIII which, under specific conditions, allows for the case of non-application of MFN treatment between original Members of the WTO, which were contracting parties to GATT 1947, and countries that made their accession later (article XII).

Most favoured nation treatment (MFN treatment)
MFN treatment is the rule, usually established through a trade agreement, that a country gives each of the trading partners with which it has concluded relevant trade agreements the best treatment it gives to any of them.

Multi-agency classification of NTMs
The multi-agency NTM classification was prepared by a group of technical experts from eight international organizations – FAO, IMF, ITC, OECD, UNCTAD, UNIDO, the World Bank and the WTO in 2008, with subsequent revisions in 2009 and 2012. This classification first categorizes NTMs into two broad categories, technical and non-technical measures, which are further divided into 16 alphabetically coded chapters. Technical measures (Chapters A and B) refer to product-specific properties such as characteristics, technical specifications and production process of a product. It also includes conformity assessment methods, which affirm the compliance of a product to a given requirement. These technical regulations are generally aimed at ensuring quality and food safety, environmental protection and national security, and at protecting animal and plant health. Non-technical measures (Chapters C to O) do not refer to product-specific properties but to trade requirements, such as shipping requirements, custom formalities, trade rules, taxation policies, etc. Chapters are subdivided into single digit branches e.g. "A3: Labelling, marking and packaging requirements". Finally, to further increase the level of detail, these branches is divided into leafs by adding another 2 digits to the classification code e.g. "A310: Labelling requirements".

Multi-column tariff
A multi-column tariff is a tariff schedule that discriminates between the various trading partners. Tariff rates in the first column might be reserved for countries receiving only the general tariff rate and the second column may display the favoured nation (MFN) treatment. The third and additional columns would contain the rates applicable to various preferential trade arrangements, such as free-trade area partners or those given to developing countries under the Generalized System of Preferences (GSP).

Multilateral trade agreements
Multilateral agreements are intergovernmental agreements aimed at expanding and liberalising international trade under non-discriminatory, predictable and transparent conditions set out in an array of rights and obligations.

Multiple exchange rates
Multiple exchange rates are varying exchange rates for imports, depending on the product category. Usually, the official rate is reserved for essential commodities while the other goods must be paid at commercial rates or occasionally by buying foreign exchange through

auctions (e.g. only the payment for infant food and staple food imports may be made at the official exchange rate). See multi-agency classifications of NTMs.

National Focal Point NFP:
Government assigned and national based responsible, in charge of monitoring, answering and providing the ITC and Euromed users with the most new and accurate information possible.

National tariff line (NTL)
National Tariff Line codes refer to the classification codes, applied to merchandise goods by individual countries that are longer than the HS six digit level. Countries are free to introduce national distinctions for tariffs and many other purposes. The national tariff line codes are based on the HS system but are longer than six digits. For example, the six digit HS code 010120 refers to Asses, mules and hinnies, live, whereas the US National Tariff line code 010120.10 refers to live purebred breeding asses, 010120.20 refers to live asses other than purebred breeding asses and 010120.30 refers to mules
and hinnies imported for immediate slaughter.

Non-ad valorem tariffs (NAV)
A non ad-valorem tariff is a tariff that is not expressed as a percentage of the price or value. This can refer to a specific, compound, mixed or some other form of a tariff. These other forms can be determined by complex technical factors. The duty can be based on the percentage content of the agricultural component (e. g. sugar, milk, alcohol content, etc.) or its strength (e.g. the degree of sweetness).

Non-tariff barriers (NTB)
NTBs are measures negatively affecting international trade.

Non-tariff measures (NTMs)
Non-tariff measures include market requirements, taxes and procedures that countries apply to products that are imported or exported. These can include for example health regulations on food quality, rules about packaging, minimum safety standards for manufactured products, internal taxes that are levied in addition to import duties and many more. Market Access Map provides information on a wide range of regulations applied by countries as well as links, where available, to the responsible institutions and / or the regulations themselves to help users further research the product and process-related compliance issues involved in exporting or importing. See multi-agency classifications of NTMs.

Nuisance tariff
A nuisance tariff is a tariff so low that it costs the government more to collect it than the revenue it generates.

Outside quota tariff rate (OQTR)
A OQTR is the tariff rate applicable to products imported in excess of a tariff quota volume. This rate is meant to discourage imports above the quota limit. It is usually much higher than the one applied to imports within the quota.

Para-tariff measures

Para-tariff measures are measures that increase the cost of imports in a similar manner to tariffs. These measures include customs surcharges, additional taxes and charges (e.g. tax on foreign exchange transactions, stamp tax), service charges, internal taxes and charges levied on imports (e.g. general sales taxes, excise taxes) and decreed customs valuation. See multi-agency classifications of NTMs.

PECS: Pan-Euro-Mediterranean
One of the most important opportunities created by the Agadir Agreement is the cumulation of origin between Member States to the Convention with the Euro-Mediterranean countries. This allows the accumulation of origin for exports of any Member State to obtain preferential treatment under the Convention when used for production components orinput from any of the other States Parties when manufacturing the final good, and calculating these components as the components of domestic and not foreign, without commitment, provided the operating adequately provided to accompany the goods mutual movement certificate Med.

Preferences
Favours extended to some trading partners, usually in the form of lower tariffs or non-application of some non-tariff measures.

Preferential tariffs
Preferential tariffs are tariffs lower than the most favoured nation tariffs, levied on imports from a country that is being given favoured treatment through a preferential trading arrangement or under unilateral tariff preferences. Note that preferential rates agreed between countries may not cover all traded products.

Preferential trade arrangement
Preferential trade arrangements are trade arrangements under which a party agrees, either unilaterally or as a result of negotiations, to accord one or more other parties preferential treatment in trade in goods or services.

Price control measures
Price control measures are measures implemented to control the prices of imported articles in order to support the domestic price of certain products when the import price of these goods are lower, establish the domestic price of certain products because of price fluctuation in domestic markets or price instability in a foreign market and counteract the damage resulting from the occurrence of "unfair" foreign trade practices. See multi-agency classifications of NTMs.

Private standards
The term private standards as used by WTO, FAO or UNIDO relates to standards developed by non-governmental entities. These include individual firms, industry organisations, and non-governmental organisations, among others. As such, compliance to these standards is not legally required by national governments or multilateral regulations as opposed to public standards. Private standards vary widely in their objectives and scope.

Prohibition of foreign exchange allocation
Prohibition of foreign exchange allocation means that no official foreign exchange allocations available to pay for imports (e.g. foreign exchange is not allocated for imports of

luxury products such as motor vehicles, TV sets, jewelleries). See multi-agency classifications of NTMs.

Prohibitions
A non-tariff measure used to control imports. There are total prohibitions (e. g. Import of "motor vehicle with cylinder under 1500cc" is not allowed to encourage domestic production), Suspensions of issuance of licences (e.g. Issuance of licence to import "motor vehicle with cylinder under 1500cc" is suspended until further notice.), seasonal prohibitions (e.g. Import of strawberries is not allowed from March to June each year.), temporary prohibitions (e.g. Import of certain fish is prohibited with immediate effect until the end of the current season), prohibitions of products infringing patents or intellectual property rights (e.g. Import of imitation brand handbags is prohibited) and prohibitions for non-economic reasons (e.g. imports of books and magazines displaying pornographic pictures are prohibited). See multi-agency classifications of NTMs.

Quotas
Quotas are explicit limits on the quantity of a good that can be imported or exported during a specified time period. Such limits are usually measured by physical quantity but sometimes by value. A quota may be applied on a selective basis, with varying limits set according to the country of origin or destination or bilaterally (to a single trading partner), or on a global basis (to all countries) that specifies only the total limit and thus tends to benefit more efficient suppliers. Quotas are frequently administered through a system of licensing. Non-automatic licensing usually the means for administering a quota. GATT Article XI prohibits the use of quantitative restrictions, subject to specific exceptions. For example Article XIX permits quotas to safeguard certain industries from damage by rapidly rising imports. See multi-agency classifications of NTMs.

Quotas linked with the purchase of local goods
Quotas linked with purchase of local goods are quotas defined as a percentage of the value of goods purchased locally (i.e. in the importing country) by the exporter (e.g. imports of refined oil in volume are limited to the volume of crude petroleum purchased locally). See multi-agency classifications of NTMs.

Regional trade agreement (RTA)
Regional trade agreements (RTAs) are reciprocal trade agreements between two or more partners.

Regulations concerning terms of payment for imports
Regulations concerning terms of payment for imports are regulations related to conditions of payment for imports and for obtaining and using credit to finance imports (e.g. no more than 50% of the transaction value can be paid in advance of the arrival of goods to the port of entry).

Rules of Origin (ROO)
Laws, regulations and administrative procedures which determine a product’s country of origin. A decision by a customs authority on origin can determine whether a shipment falls

within a quota limitation qualifies for a tariff preference or is affected by an anti-dumping duty. These rules can vary from country to country.

Safeguard measures
A WTO member may take a safeguard measures (i.e., restrict imports of a product temporarily) to protect a specific domestic industry from an increase in imports of any product which is causing, or which is threatening to cause, serious injury to the industry. See multi-agency classifications of NTMs.

Sanitary and Phytosanitary measures (SPS)
Sanitary and Phytosanitary measures are laws, decrees, regulations, requirements, standards and procedures to protect human, animal or plant life or health from certain risks such as the establishment or spread of pests, diseases, disease-carrying organisms or disease-causing organisms, risks from additives, contaminants, toxins, disease causing organisms in foods, beverages or feedstuffs. See multi-agency classifications of NTMs.

Seasonal duties
Seasonal duties are duties applicable at certain times of the year, usually in connection with agricultural products. For example, imports of "Fresh pears, in bulk" from 1 August to 31 December may enter free of duty, while in other months, positive duties (seasonal duty) are applied. See multi-agency classifications of NTMs.

Seasonal quotas
Seasonal quotas are quotas established for a given period of the year, usually set for certain agricultural goods when domestic harvest is in abundance (e.g. quota for import of strawberries is established for imports from March to June each year). See multi-agency classifications of NTMs.

Service charges
Service charges are fees charged against inspections, quarantines or other services provided by the customs authorities. They include custom inspection, processing and servicing fees as well as merchandise handling or storing fees. See multi-agency classifications of NTMs.

Single-column tariff
A single-column tariff is a simple schedule of duties in which the rate applies to imports from all countries on the same basis.

Specific tariff
A specific tariff is a tariff charged as fixed amount per quantity unit such as $100 per ton.

Standard International Trade Classification (SITC)
SITC is a classification intended to categorize trade statistics into large economic classes of commodities, maintained by the United Nations.

Tariff binding
Tariff binding is a commitment not to increase a rate of duty beyond an agreed level. Once a rate of duty is bound, it may not be raised without compensating the affected parties.

Tariff peak

A tariff peak is a relatively high tariff, usually on “sensitive” products, amidst generally low tariff levels. For industrialized countries, tariffs above 15% are generally recognized as “tariff peaks”.

Tariff rate quota
A tariff rate quota is a combination of an import tariff and an import quota in which imports below a specified quantity enter at a low (or zero) tariff and imports above that quantity enter at a higher tariff. A tariff quota has thus two parts, the Inside Quota Tariff Rate and the Outside Quota Tariff Rate.

Tariff regime
A tariff regime is a set of tariff rates covering all products for a particular importing country, exporting country, preferential status (specific preferences or MFN/General rates) and time period.

Tariff schedule
A tariff schedule is the list of all of a country's tariffs, organized by product

Tariffs
Tariffs are customs duties on merchandise imports, levied either on an ad valorem basis (percentage of value) or on a specific basis (e.g. $7 per 100 kg). Tariffs can be used to create a price advantage for similar locally-produced goods and for raising government revenues. Trade remedy measures and taxes are not considered to be tariffs.

Technical barriers to trade (TBT)
Technical Barriers to trade are measures referring to technical specification of products or production processes and conformity assessment systems thereof. See multi-agency classifications of NTMs.

Technical tariff
A customs tariff whose tariff rate is determined by specific technical factors of the product such as size or alcohol content (e.g a 9% tariff levied on dairy spreads with a fat content between 39% and 60%).

Trade agreement
A trade agreement is a contractual agreement among two or more countries concerning policies affecting their trade relationship. Trade agreements may be signed bilaterally or multilaterally and may concern several types of measures such tariffs, nontariff barriers or prohibitions.

Trade balancing measures
Trade balancing measures are the requirements that the investor use earnings from exports to pay for imports. See multi-agency classifications of NTMs.

Trade remedies
Trade remedies include anti-dumping duties, countervailing measures or safeguards measures.

Trade Support Institution (TSI)

Trade support institutions (TSIs) are national institutions charged with enhancing both the international competitiveness of the business community and their integration into the global economy. For more information see the ITC webpage on TSIs.

Unit value (UV)
A Unit Value (UV) is the average value of a single unit of an imported product. It is based on the total value of imports of that product divided by the quantity of imports.

United Nations Conference on Trade and Development (UNCTAD)
UNCTAD was established in 1964 as a permanent intergovernmental body. It is the focal point within the United Nations for the integrated treatment of trade and development and the interrelated issues in the areas of finance, technology, investment and sustainable development.

United Nations Statistics Division (UNSD)
UNSD provides a global centre for data on international trade, national accounts, energy, industry, environment, transport and demographic and social statistics gathered from many national and international sources.

Variable levies
A customs duty rate which varies in response to domestic price criterion.

Water in the tariff
The term water in the tariff refers to the difference between bound and applied tariff rates.

World Bank
The World Bank's mission is to fight poverty and improve the living standards of people in the developing world. It is a development Bank which provides loans, policy advice, technical assistance and knowledge sharing services to low and middle income countries to reduce poverty.

World Trade Organization (WTO)
The WTO was established in 1995. It is the only global international organization dealing with the rules of trade between nations. At its heart are the WTO agreements, negotiated and signed by the bulk of the world's trading nations and ratified in their parliaments. The goal is to help producers of goods and services, exporters, and importers conduct their business. The WTO is the successor of the General Agreement on Tariffs and Trade (GATT) established in 1948.