

# UNCTAD CODING SYSTEM OF TRADE CONTROL MEASURES

## 1000      **TARIFF MEASURES**

1100      STATUTORY CUSTOMS DUTIES

1200      MFN DUTIES

    1210      MFN duties (Statutory)

    1220      MFN duties (Applied)

    1230      MFN duties (Bound)

1300      GATT CEILING DUTIES

1400      TARIFF QUOTA DUTIES

    1410      Low duties

    1420      High duties

1500      SEASONAL DUTIES

    1510      Low duties

    1520      High duties

1600      TEMPORARY REDUCED DUTIES

1700      TEMPORARY INCREASED DUTIES

    1710      Retaliatory duties

    1720      Urgency and safeguard duties

1800      Preferential duties under trade agreements

    1810      Customs Union

    1820      Free Trade Agreement

    1830      GSP

        1831      GSP to developing countries

        1832      GSP to LDCs

    1840      Other specific preferential agreements

        1841      From developed to developed countries

        1842      From developed to developing countries

        1843      From developed to LDCs

        1844      From developing to developing countries

        1845      From developing to LDCs

        1846      From developing to developed countries

    1890      Preferential agreements n.e.s.

1900      Tariff measures n.e.s.

## 2000      **PARA-TARIFF MEASURES**

2100      CUSTOMS SURCHARGES

2200      ADDITIONAL TAXES AND CHARGES

    2210      Tax on foreign exchange transactions

    2220      Stamp tax

    2230      Import licence fee

    2240      Consular invoice fee

    2250      Statistical tax

    2260      Tax on transport facilities

2270	Taxes and charges for sensitive product categories
2290	Additional charges n.e.s.
2300	INTERNAL TAXES AND CHARGES LEVIED ON IMPORTS
2310	General sales taxes
2320	Excise taxes
2370	Taxes and charges for sensitive product categories
2390	Internal taxes and charges levied on imports n.e.s.
2400	DECREED CUSTOMS VALUATION
2900	PARA-TARIFF MEASURES N.E.S.

**3000 PRICE CONTROL MEASURES**

- 3100 ADMINISTRATIVE PRICING
  - 3110 Minimum import prices
  - 3190 Administrative pricing n.e.s.
- 3200 VOLUNTARY EXPORT PRICE RESTRAINT
- 3300 VARIABLE CHARGES
  - 3310 Variable levies
  - 3320 Variable components
  - 3330 Compensatory elements
  - 3340 Flexible import fees
  - 3390 Variable charges n.e.s.
- 3400 ANTIDUMPING MEASURES
  - 3410 Antidumping investigations
  - 3420 Antidumping duties
  - 3430 Price undertakings
- 3500 COUNTERVAILING MEASURES
  - 3510 Countervailing investigations
  - 3520 Countervailing duties
  - 3530 Price undertakings
- 3900 PRICE CONTROL MEASURES N.E.S.

**4000 FINANCE MEASURES**

- 4100 ADVANCE PAYMENT REQUIREMENTS
  - 4110 Advance import deposit
  - 4120 Cash margin requirement
  - 4130 Advance payment of customs duties
  - 4170 Refundable deposits for sensitive product categories
  - 4190 Advance payment requirements n.e.s.
- 4200 MULTIPLE EXCHANGE RATES
- 4300 RESTRICTIVE OFFICIAL FOREIGN EXCHANGE ALLOCATION
  - 4310 Prohibition of foreign exchange allocation
  - 4320 Bank authorization
  - 4390 Restrictive official foreign exchange allocation n.e.s.
- 4500 REGULATIONS CONCERNING TERMS OF PAYMENT FOR IMPORTS
- 4600 TRANSFER DELAYS, QUEUING
- 4900 FINANCE MEASURES N.E.S.

**5000 AUTOMATIC LICENSING MEASURES**

- 5100 AUTOMATIC LICENCE
- 5200 IMPORT MONITORING
  - 5210 Retrospective surveillance
  - 5220 Prior surveillance
  - 5270 Prior surveillance for sensitive product categories
- 5700 SURRENDER REQUIREMENT
- 5900 AUTOMATIC LICENSING MEASURES N.E.S.

<b>6000</b>	<b>QUANTITY CONTROL MEASURES</b>
6100	NON-AUTOMATIC LICENSING
6110	Licence with no specific ex-ante criteria
6120	Licence for selected purchasers
6130	Licence for specified use
6131	Linked with export trade
6132	For purposes other than exports
6140	Licence linked with local production
6141	Purchase of local goods
6142	Local content requirement
6143	Barter or counter trade
6150	Licence linked with non-official foreign exchange
6151	External foreign exchange
6152	Importers' own foreign exchange
6160	Licence combined with or replaced by special import authorization
6170	Prior authorization for sensitive product categories
6180	Licence for political reasons
6190	Non-automatic licensing n.e.s.
6200	QUOTAS
6210	Global quotas
6211	Unallocated
6212	Allocated to exporting countries
6220	Bilateral quotas
6230	Seasonal quotas
6240	Quotas linked with export performance
6250	Quotas linked with purchase of local goods
6270	Quotas for sensitive product categories
6280	Quotas for political reasons
6290	Quotas n.e.s.
6300	PROHIBITIONS
6310	Total prohibition
6320	Suspension of issuance of licences
6330	Seasonal prohibition
6340	Temporary prohibition
6350	Import diversification
6370	Prohibition for sensitive product categories
6380	Prohibition for political reasons (embargo)
6390	Prohibitions n.e.s.
6600	EXPORT RESTRAINT ARRANGEMENTS
6610	Voluntary export restraint arrangements
6620	Orderly marketing arrangements
6630	Multifibre arrangement (MFA)
6631	Quota agreement
6632	Consultation agreement
6633	Administrative co-operation agreement
6640	Export restraint arrangements on textiles outside MFA
6641	Quota agreement
6642	Consultation agreement
6643	Administrative co-operation agreement
6690	Export restraint arrangements n.e.s.

6700 ENTERPRISE-SPECIFIC RESTRICTIONS  
6710 Selective approval of importers  
6720 Enterprise-specific quota  
6790 Enterprise-specific restrictions n.e.s.

6900 QUANTITY CONTROL MEASURES N.E.S.

**7000 MONOPOLISTIC MEASURES**

7100 SINGLE CHANNEL FOR IMPORTS  
7110 State trading administration  
7120 Sole importing agency  
7170 Single channel for sensitive product categories

7200 COMPULSORY NATIONAL SERVICES  
7210 Compulsory national insurance  
7220 Compulsory national transport

7900 MONOPOLISTIC MEASURES N.E.S.

**8000 TECHNICAL MEASURES**

8100 TECHNICAL REGULATIONS  
8110 Product characteristics requirements  
8120 Marking requirements  
8130 Labelling requirements  
8140 Packaging requirements  
8150 Testing, inspection and quarantine requirements  
8160 Information requirements  
8170 Requirement relative to transit  
8180 Requirement to pass through specified customs  
8190 Technical regulations n.e.s.

8200 PRE-SHIPMENT INSPECTION  
8300 SPECIAL CUSTOMS FORMALITIES  
8400 RETURN OBLIGATION  
8900 TECHNICAL MEASURES N.E.S.

It should be noted that at present the Coding System covers only import measures and that measures regarding exports have not yet been considered. The descriptive notes of import regimes apply a shortened version of this Coding System by eliminating zeroes and introducing a period after the first two digits of the code number.

The measures for sensitive product categories, with codes ending in 7\*, are further subdivided according to specific purposes if appropriate: (1) to protect human health (71); (2) to protect animal health and life (72); (3) to protect plant health (73); (4) to protect environment (74); (5) to protect wildlife (75); (6) to control drug abuse (76); (7) to ensure human safety (77); (8) to ensure national security (78); and (9) for purposes n.e.s. (79).

The technical regulations are subdivided according to specific purposes, likewise as the measures for sensitive product categories (See previous footnote); 8111, 8121, etc. for protection of human health; 8112, 8122, etc. for protection of animal health and life, etc.

# Working Definitions for the TCM Coding System

This section presents working definitions for the trade control measures included in the Database, together with their corresponding code number. The measures are classified under broad categories according to their nature. Within the broad categories, the measures are further subdivided according to their characteristics. Special mention should be made of the measures for sensitive product categories and technical regulations, which are subdivided according to their corresponding objectives, i.e., for the protection of human health, animal health and life, plant health, the environment and wildlife, to control drug abuse, to ensure human safety and to ensure national security. When utilizing information from the Database, any subset of individual measures can be selected and regrouped, according to the specific purposes of each analysis.

## 1. TARIFF MEASURES

Tariff measures serve either to raise fiscal revenue or to protect domestic industry from foreign competition and are applied when a product crosses the boundary of a customs area. These measures increase the import price by a fixed percentage or by a fixed amount, calculated respectively on the basis on the value (*Ad valorem* tariffs) and the physical quantity (specific tariffs).

### 1100

#### **Statutory customs duties**

Basic duties as laid down in the provisions of the customs tariff law, often defined also as general duties. Almost all countries apply in practice the MFN duties (**1200**) as general duties, while few countries apply duties higher than MFN duties.

### 1200

#### **MFN duties**

Defining the General Most-Favoured-Nation Treatment, GATT (Article I) states that "any advantage, favour, privilege or immunity granted by any contracting party to any product originating in or destined for any other country shall be accorded immediately and unconditionally to the like product originating in or destined for the territories of all other contracting parties". In practice, the MFN treatment is no longer limited to GATT contracting parties but applicable to other trading partners.

### 1300

#### **GATT ceiling duties**

Maximum duties that may be applied by a GATT contracting party to other parties, which have been bound against concessions as a result of GATT negotiations.

### 1400

#### **Tariff quota duties**

Rates applicable to a quota of imports under a given tariff heading, whereas higher rates are charged on imports which exceed the quota amount; quota may be defined in terms of quantity or value.

### 1500

#### **Seasonal duties**

Duties applicable according to the time of the year, usually to agricultural products.

#### **1600**

##### **Temporary reduced duties**

Duties intended to stimulate local consumption or production. These duties may be applied to all imports under a given tariff heading or only to industrial inputs, investment goods, etc. for specific purposes.

#### **1700**

##### **Temporary increased duties**

Rates on specific articles to retaliate against actions by trading partners or to provide import relief (safeguard actions).

#### **1800**

##### **Preferential duties under trade agreements**

Duties applicable in trade under multilateral or bilateral trade agreements or duties extended without reciprocity by one group of countries to another group of countries (e.g. the Generalized System of Preferences). These duties may be applied with no limitation of quantity or may be linked to preferential tariff quotas.

## 2. PARA-TARIFF MEASURES

Other measures that increase the cost of imports in a manner similar to tariff measures, i.e. by a fixed percentage or by a fixed amount, calculated respectively on the basis on the value and the quantity, are known as para-tariff measures. Four groups are distinguished: customs surcharges; additional charges; internal taxes and charges levied on imports; and decreed customs valuation.

### 2100

#### Customs surcharges

The customs surcharge, also called surtax or additional duty, is an *ad hoc* trade policy instrument to raise fiscal revenue or to protect domestic industry.

### 2200

#### Additional charges

Additional charges, which are levied on imported goods in addition to customs duties and surcharges and which have no internal equivalent, comprise various taxes and fees. The category of additional charges includes **the tax on foreign exchange transactions, stamp tax, import licence fee, consular invoice fee, statistical tax, tax on transport facilities and charges for sensitive product categories**. Various other taxes, such as the export promotion fund tax, taxes for the special funds, the municipal tax, registration fee on imported motor vehicles, customs formality tax, etc., are classified as additional charges, n.e.s. It should be noted that Article VIII of GATT states that fees and charges other than customs duties and internal taxes "shall be limited in amount to the approximate cost of services rendered and shall not represent an indirect protection to domestic products or a taxation of imports or exports for fiscal purposes."

### 2300

#### Internal taxes and charges levied on imports

GATT Article III permits the application of internal taxes to imports; however, these taxes should not be applied so as to afford protection to domestic production. The **general sales tax** levied on imports is the equivalent of those internal taxes that are applied to all or most products. Three types of internal taxes can be distinguished: first, the one commonly known as sales tax, which is an *ad valorem* tax based on the gross receipts of sales of goods, collected at regular intervals from traders; secondly, the turnover tax or multiple sales tax, which is a tax imposed at more than one level of production and distribution and is based on gross receipts, resulting in a cumulation of taxes; thirdly, the value-added tax which is a modified turnover tax based on the net value added instead of on the gross receipts, avoiding 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 types of commodities, usually of a luxurious or non-essential nature, such as alcoholic beverages and tobacco. This tax is levied either *ad valorem* or on a specific basis, 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. Therefore, for database purposes, all such taxes are coded as excise taxes. 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, in both of which cases these taxes are classified under code **2310**.

Charges for sensitive product categories include emission charges, product taxes and administrative charges. These latter charges are meant to recover the costs of

administrative control systems. These various charges normally have an internal equivalent. Certain internal taxes which cannot be clearly identified as sales taxes, for instance the equalization tax on industrial inputs, the business tax based on a fixed profit rate, etc., are classified for pragmatic reasons as internal taxes and charges levied on imports, n.e.s.

#### **2400**

##### **Decreed customs valuation**

Customs duties and other charges on selected imports can be levied on the basis of a decreed value of goods (the so-called "*valeur mercoriale*" in French). This practice is presented as a means to avoid fraud or to protect domestic industry. The decreed value *de facto* transforms an *ad valorem* duty into a specific duty.

### **3. PRICE CONTROL MEASURES**

Measures intended to control the prices of imported articles for the following reasons:

- (i) to sustain domestic prices of certain products when the import price is inferior to the sustained price;
- (ii) to establish the domestic price of certain products because of price fluctuation in the domestic market or price instability in the foreign market; and
- (iii) to counteract the damage caused by the application of unfair practices of foreign trade.

Most of these measures affect the cost of imports in a variable amount calculated on the basis of the existing difference between two prices of the same product, compared for control purposes. The measures initially adopted can be administrative fixing of prices and voluntary restriction of the minimum price level of exports or investigation of prices, to subsequently arrive at one of the following adjustment mechanisms: suspension of import licences; application of variable charges, antidumping measures or countervailing duties.

#### **3100**

##### **Administrative price fixing**

By administrative price fixing, the authorities of the importing country take into account the domestic prices of the producer or consumer; establish floor and ceiling price limits; or revert to determined international market values. Various terms are used, depending on the country or sector, to denominate the different administrative price fixing methods, such as official prices, minimum import prices or basic import prices.

#### **3200**

##### **Voluntary export price restraint**

A restraint arrangement in which the exporter agrees to keep the price of his goods above a certain level.

#### **3300**

##### **Variable charges**

Variable charges bring the market prices of imported agricultural and food products close to those of corresponding domestic products, in advance, for a given period of time, and for a pre-established price. These prices are known as reference prices, threshold prices or trigger prices. Primary commodities may be charged per total weight, while charges on processed foodstuffs can be levied in proportion to the primary product contents in the final product. In the case of the European Union, the charges applied to primary products as such are called variable levies and those as part of a processed product, variable components.

#### **3400**

##### **Antidumping measures**

Antidumping measures may be taken after an investigation by the investigating authority of the importing country has led to a determination of dumping and material injury resulting therefrom. 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. Antidumping measures may take the form of antidumping duties or of price undertakings.

#### **3410**

##### **Antidumping investigations**

Antidumping investigations into dumping and injury are conducted by the investigating authority of the importing country in accordance with the provisions of Article VI of the GATT Antidumping Code. During the period of investigations, provisional antidumping measures may be applied.

#### **3420**

##### **Antidumping duties**

Duties levied on certain goods originating from (a) specific trading partners(s) to offset the dumping margin. Duty rates are generally enterprise-specific.

#### **3430**

##### **Antidumping price undertakings**

Undertakings may be offered by exporters to avoid the imposition of antidumping duties. They may be accepted by the investigating authority of the importing country if the exporter is prepared to revise his prices or ceases to export at dumped prices so that the injurious effect of the dumping is eliminated.

#### **3500**

##### **Countervailing measures**

Countervailing measures may be taken after an investigation by the investigating authority of the importing country has led to a determination that the imported goods are benefiting from subsidies, and that they result in injury. Countervailing measures may take the form of countervailing duties or undertakings by the exporting firms or by the authorities of the subsidizing country.

#### **3510**

##### **Countervailing investigations**

Countervailing investigations on subsidization and injury are conducted by the investigating authority of the importing country in accordance with the provisions of Article VI of GATT and the GATT Subsidies Code.

#### **3520**

##### **Countervailing duties**

Duties levied on certain goods originating from (a) specific trading partner(s) to offset the amount of subsidization granted on the production or export of these goods.

#### **3530**

##### **Countervailing undertakings**

Undertakings may be offered by exporters or by the authorities of the exporting country to avoid the imposition of countervailing duties. Undertakings by the exporters may be accepted by the investigating authority of the importing country if the exporter is prepared to revise his prices or renounces the benefit of the subsidies so that the injurious effect of the subsidies is eliminated. Undertakings by the authorities of the exporting subsidizing country may be accepted by the investigating authority if the subsidizing country is prepared to eliminate or modify its subsidy

practices so as to eliminate their injurious effect, or otherwise act to eliminate such injurious effect.

## **4. FINANCE MEASURES**

Measures that regulate the access to and cost of foreign exchange for imports and define the terms of payment. They may increase the import cost in a fashion similar to tariff measures.

### **4100**

#### **Advance payment requirements**

Advance payment of the value of the import transaction and/or related import taxes, which is required at the moment of the application for, or the issuance of, the import licence.

### **4110**

#### **Advance import deposits**

Obligation to deposit a percentage of the value of the import transaction for a given time period in advance of the imports, with no allowance for interest to be accrued on the deposit.

### **4120**

#### **Cash margin requirement**

Obligation to deposit the total amount corresponding to the transaction value, or a specified part of it, in a commercial bank, before the opening of a letter of credit; payment may be required in foreign currency.

### **4130**

#### **Advance payment of customs duties**

Advance payment of the totality or a part of customs duties, with no allowance for interest to be accrued.

### **4170**

#### **Refundable deposits for sensitive product categories**

The deposit refunds are charges which are refunded when the used products or its containers are returned to a collection system.

### **4200**

#### **Multiple exchange rates**

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.

### **4300**

#### **Restrictive official foreign exchange allocation**

Restrictive allocation of foreign exchange intended to control import flows, usually executed by the central bank in the form of permits, visas, authorizations, etc. Sometimes takes the form of prohibition of foreign exchange allocation.

### **4500**

#### **Regulations concerning terms of payment for imports**

Special regulations regarding the terms of payment of imports and the obtaining and use of credit (foreign or domestic) to finance imports.

### **4600**

#### **Transfer delays, queuing**

Minimum permitted delays between the date of delivery of goods and that of final settlement of the import transaction (usually 90, 180 or 360 days for consumer goods and industrial inputs and two to five years for capital goods). Queuing takes place when the prescribed delays cannot be observed because of foreign exchange shortage, and transactions are settled successively after a longer waiting period.

## **5. AUTOMATIC LICENSING MEASURES**

Measures of a formal character only, which do not involve a restriction.

### **5100**

#### **Automatic licence**

Freely-granted approval of the application for imports. Sometimes also referred to as the open general or liberal licence.

### **5200**

#### **Import monitoring**

Monitoring of the import trends of specified products, sometimes through inscription in a register. It may be applied with the purpose of signalling concern over import surges and to persuade trading partners to reduce export growth. It may also be applied for environmental purposes. Sometimes it is a precursor to import restraints.

## 6. QUANTITY CONTROL MEASURES

Measures intended to restrain the quantity of imports of any particular good, from all sources or from specified sources of supply, either through restrictive licensing, fixing of a predetermined quota or through prohibitions.

### 6100

#### **Non-automatic licensing**

The practice to require, as a prior condition to importation, an import licence which is not granted automatically. The licence may either be issued on a discretionary basis or may depend on specific criteria.

### 6110

#### **Licence with no specific *ex-ante* criteria**

Licence depending on the judgement of the issuing authority, sometimes also referred to as a discretionary licence.

### 6120

#### **Licence for selected purchasers**

Licence issued on certain goods only to specific categories of importers, e.g. manufacturers, service industry, governmental departments, etc. The purpose is to limit imports by restraining direct consumption, while providing the local processing industry with the necessary inputs.

### 6130

#### **Licence for specific use**

Licence limited to operations generating anticipated benefit in important domains of the economy, such as export production, investment projects, etc.

### 6140

#### **Licence linked with local production**

Compulsory linkage of imports with local market outputs.

### 6141

#### **Purchase of local goods**

Licence granted under the condition of the purchase of a share of locally produced goods which are similar to the imported goods.

### 6142

#### **Local content requirement**

Licence granted under the condition that a certain product will include a specific percentage of local inputs.

### 6143

#### **Barter or counter trade**

Swap of goods in kind.

### 6150

#### **Licence linked with non-official foreign exchange**

Licence granted if official foreign exchange is not required. This case includes imports under technical assistance projects and other sources of external foreign

exchange, as well as imports paid from the importer's own foreign exchange holdings.

#### **6160**

##### **Licence combined with or replaced by special import authorization**

In addition to or instead of a licence issued by the main licensing body (usually the ministry of trade) according to the above specified criteria (see **6110-6150**), a special import authorization or an inscription in a register is required by a specialized authority which is coordinating a sector of the domestic economy (ministry of industry, ministry of agriculture, etc).

#### **6170**

##### **Prior authorization for sensitive product categories**

Prior authorization subject to registered inscription, provision of information or other admission procedures required as a condition for undertaking imports of goods subject to health and safety regulations, provisions of international treaties on environmental and wildlife protection, etc.

#### **6200**

##### **Quotas**

Restriction of imports of specified products by setting a maximum quantity or value of goods authorized for import.

#### **6210**

##### **Global quotas**

Quotas of imports of specific products set as a total quantity or value. The quotas can be either unallocated, i.e. goods may be imported from all origins; or allocated by individual exporting countries. The global quotas may either be distributed among individual importers on a first-come, first-served basis or be allocated in advance to determined importers, often in proportion to their former performance.

#### **6220**

##### **Bilateral quotas**

Quotas of imports reserved for a specific country.

#### **6230**

##### **Seasonal quotas**

Quotas of imports for a given period of the year, usually set for certain agricultural goods.

#### **6240**

##### **Quotas linked with export performance**

Quotas of imports defined as a percentage of the value of exported goods.

#### **6250**

##### **Quotas linked with the purchase of local goods**

Quotas defined as a percentage of the value of locally purchased goods similar to the imported articles.

#### **6270**

##### **Quotas for sensitive product categories**

Quotas determined for reasons of protection of human health, animal health and life or plant health, the environment, wildlife and to ensure human safety and to control drug abuse.

**6300****Prohibitions**

Unconditional interdiction to import. The so-called "prohibition with exceptions" is incorporated in the category of licensing which is relevant to the nature of the exception (see **6100**).

**6310****Total prohibition**

Prohibition without further qualifications. This measure may be applied in order to utilize scarce foreign exchange resources exclusively for imports of essential goods or to protect domestic industry completely from foreign competition.

**6320****Suspension of issuance of licences**

A form of *de facto* prohibition, usually applied for balance-of-payments problems which are expected to be of a short-term character.

**6330****Seasonal prohibition**

Prohibition of imports for a given period of the year, usually applied to certain agricultural products.

**6340****Temporary prohibition**

Prohibition with decreed limited duration.

**6350****Import diversification**

Prohibition of imports of certain goods from countries with which the importing country remains in a significant trade deficit.

**6370****Prohibition for sensitive product categories**

Product or country-oriented prohibition for reasons of protecting human health, animal health and life or plant health, the environment and wildlife, to control drug abuse or ensure human safety.

**6380****Prohibition for political reasons (embargo)**

Prohibition of imports from a country or group of countries, applied for political reasons.

**6600****Export restraint arrangements**

By virtue of an export restraint arrangement between an importer and an exporter, the latter agrees to limit exports in order to avoid imposition of mandatory restrictions by the importing country. The arrangement may be concluded at either government or industry level. These arrangements are known as voluntary export restraint arrangements (VERs), orderly marketing arrangements, etc. They are generally concluded on goods such as iron and steel, machine tools, automobiles, road transport equipment, electronics, footwear, textiles and clothing as well as

agricultural and food products. In addition to bilateral arrangements, there is also the Multilateral Multifibre Arrangement (MFA), officially known as "Arrangement Regarding International Trade in Textiles or Multifibre Arrangement", which was negotiated as a temporary exception to GATT, so as to regulate trade in textile products.

Since its adoption in 1973, the MFA has been reviewed at intervals. The MFA provides the framework and rules for negotiating bilateral restraint agreements. An MFA quota agreement establishes an export quota with a growth rate. Quotas may be administered by either the importing or exporting country. Under an MFA consultation agreement, quotas are not set at the moment of signature but the agreement includes provisions for calls for consultation with a view to introducing restrictions in certain circumstances. An MFA administrative cooperation agreement includes provisions for administrative cooperation with a view to avoiding disruptions in bilateral trade.

## **6700**

### **Enterprise-specific restrictions**

These restrictions may replace the quantitative restrictions of a general character or may be applied parallel to them. They include such restrictions as selective approval of importers, limitations at the enterprise level resulting from the national import programme. Value or quantity quotas for individual enterprises, etc.

## **7. MONOPOLISTIC MEASURES**

Measures which create a monopolistic situation, by giving exclusive rights to one or a limited group of economic operators, for either social, fiscal or economic reasons.

### **7100**

#### **Single channel for imports**

All imports or imports of selected commodities have to be channelled through state-owned agencies or state-controlled enterprises. Sometimes the private sector may also be granted exclusive import rights.

### **7200**

#### **Compulsory national services**

Government-sanctioned exclusive rights of national insurance and shipping companies on all or a specified share of imports.

## **8. TECHNICAL MEASURES**

Measures referring to product characteristics such as quality, safety or dimensions, including the applicable administrative provisions, terminology, symbols, testing and test methods, packaging, marking and labelling requirements as they apply to a product. The technical regulations are subdivided according to specific purposes, likewise as the measures for sensitive product categories: 8111, 8121, etc. for protection of human health: 8112, 8122, etc. for protection of animal health and life, etc.

### **8100**

#### **Technical regulations**

Regulations that provide technical requirements, either directly or by referring to or incorporating the content of a standard, technical specification or code of practice, in order to protect human life or health or to protect animal life or health (sanitary regulation); to protect plant health (phytosanitary regulation); to protect the environment and to protect wildlife; to ensure human safety; to ensure national security; to prevent deceptive practice.

The regulation may be supplemented by technical guidance that outlines some means of compliance with the requirements of the regulation, including administrative provisions for customs clearance, such as prior registration of the importer or obligation to present a certificate issued by relevant governmental services in the country of origin of the goods. In certain cases, a prior recognition of the exporter or certificate issuing service by the importing country is also required.

### **8110**

#### **Product characteristics requirements**

Technical specifications prescribing technical requirements to be fulfilled by a product.

### **8120**

#### **Marking requirements**

Measures defining the information for transport and customs, that the packaging of goods should carry (country of origin, weight, special symbols for dangerous substances, etc.).

### **8130**

#### **Labelling requirements**

Measures regulating the kind and size of printing on packages and labels and defining the information that may or should be provided to the consumer.

### **8140**

#### **Packaging requirements**

Measures regulating the mode in which goods must be or cannot be packed, in conformity with the importing country handling equipment or for other reasons, and defining the packaging materials to be used.

**8150****Testing, inspection and quarantine requirements**

Compulsory testing of product samples by a designated laboratory in the importing country, inspection of goods by health authorities prior to release from customs or a quarantine requirement in respect of live animals and plants.

**8160****Information requirements**

A measure that obliges detailed information to be provided on the product, such as enumeration of the contents or advisory notes for use and disposal.

**8170****Requirement relative to transit**

A measure that obliges shipment to be made directly to from the country of origin to that of destination without passing through a third country

**8180****Requirement to pass through specified customs**

A measure that obliges shipment to pass through a designated customs office

**8200****Pre-shipment inspection**

Compulsory quality, quantity and price control of goods prior to shipment from the exporting country, effected by an inspecting agency mandated by the authorities of the importing country. Price control is intended to avoid underinvoicing and overinvoicing, so that customs duties are not evaded or foreign exchange is not being drained.

**8300****Special customs formalities**

Formalities which are not clearly related to the administration of any measure applied by the given importing country such as the obligation to submit more detailed product information than normally required on the basis of a customs declarations, the requirement to use specific points of entry, etc.

**8400****Obligation to return used product**

A measure that obliges the return of the product after use.