

ГУМАНІТАРНИЙ ФАКУЛЬТЕТ
Кафедра «Іноземні мови»

МЕТОДИЧНІ ВКАЗІВКИ

з позааудиторного читання
за темою

“МИТНИЦЯ ТА МИТНИЙ КОНТРОЛЬ”

для самостійної роботи студентів
2 курсу факультету УПП

(англійська мова)

Харків 2010

Методичні вказівки розглянуто та рекомендовано до друку на засіданні кафедри «Іноземні мови» 26 грудня 2008 р., протокол № 5.

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Основна мета методичних вказівок – навчання різним видам читання спеціалізованої літератури, а також навичок усного спілкування. Різноманітні вправи спрямовані на засвоєння лексичного та граматичного матеріалів, а також на розвиток навичок усного мовлення.

Рекомендуються для студентів 2 курсу факультету УПП.

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**УКРАЇНСЬКА ДЕРЖАВНА АКАДЕМІЯ
ЗАЛІЗНИЧНОГО ТРАНСПОРТУ**

ГУМАНІТАРНИЙ ФАКУЛЬТЕТ

Кафедра “Іноземні мови”

МЕТОДИЧНІ ВКАЗІВКИ

з позааудиторного читання за темою
“Митниця та митний контроль”
для самостійної роботи студентів
2 курсу факультету УПП

(англійська мова)

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UNIT 1

Vocabulary

- 1 **properties** – майно
- 2 **prohibited articles** – перелік товарів, ввіз та вивіз яких
не дозволено
- 3 **obscene weapon** – незареєстрована зброя
- 4 **to restrict** – обмежувати
- 5 **customs duties** – митні податки
- 6 **customs inspectors (official, agent)** – митники
- 7 **to exempt** – оглядати
- 8 **customs inspection/ customs examination** – митний
огляд
- 9 **to understate the value** – зменшувати вартість
- 10 **to fine** – штрафувати
- 11 **duty free / tax-free / tax exempt / taxless** – те, що не
обкладається податком
- 12 **to impose a high duty** – обкладати високим митом
- 13 **charge duties** – податкові обов'язки
- 14 **to pay customs duties on** – платити митний збір за
(що-небудь)
- 15 **to fall (come) under restrictions** – потрапляти під
обмеження
- 16 **embargo on imports (exports)** – заборона на вивіз (ввіз)
- 17 **dutiable** – обкладений митом
- 18 **prohibited** – заборонений
- 19 **to declare items subject to duty** – заявляти про
наявність речей, які підлягають оподаткуванню
- 20 **customs regulations** – митні правила
- 21 **customs facilities** – митні формальності
- 22 **smuggled goods / contraband** – контрабанда
- 23 **undergo** – підлягати

TEXT A: UKRAINIAN CUSTOMS

The main task of Ukrainian Customs is the protection of the economic interests of the country, national treasures, cultural and historical properties.

Articles, which are prohibited from being brought into many countries, include illegal drugs and obscene weapons. Guns and other firearms normally need a special certificate. Fruit, vegetables, meat, plants, and seeds are restricted or prohibited in some countries to prevent the spread of disease. Animals entering the country must undergo a period of quarantine in order to prevent the spread of rabies being brought into the country.

Customs duties are paid to a nation's government on items that people bring in from another country. Each nation has its own regulations regarding the quantity and kinds of articles that may be imported.

Customs inspectors may examine the luggage of all travellers returning to a country. All articles acquired abroad that are subject to customs duties must be declared that is, they must be identified and their value is to be given to an Inspector. If a person fails to declare an article or understate its value, the article may be taken away and the individual may be fined.

Certain articles are exempt (free) from customs duties. Most countries allow people to bring in goods up to a certain value. They also allow a specified quantity of alcoholic beverages and tobacco products if they are bought duty free during the journey or in another country. However, the law may require that the traveller has been away for a minimum time.

Countries usually impose customs duties at a rate that depends on the value of the article and its quantity. However, there are different ways of working out this value, depending on whether or not the value includes the cost of transporting the article from the country where it originated. Some countries have joined together to form customs unions, whereby they do

not charge duties on goods from each other's countries, and impose uniform duties on outside countries.

TEXT B: THE CUSTOMS REGISTRATION

- 1 The registration of import, export, preliminary, transit cargo declaration.
- 2 The registration of documents on the customs.
- 3 Customs operations of a cargo.
- 4 The competent solution of all customs formalities.

Customs declaration is a document drawn up in accordance with the requirement of the National legislation, which includes the necessary information about cargo transference abroad and also goods export and import, passenger luggage, hand luggage, value and currency. Customs declaration is a foundation to pass a cargo through abroad during export, import and transit.

The declaration includes: the cargo number of the document which shows cargo acceptance on customs (in the port customs – the name of ships); the tariff name of a good or reference to the customs tariff; the price of transported goods. The customs declaration has also a list of documents (account, unloading specification, certificate of quality and so on).

The customs declaration is filled in by the cargo owner, who is responsible for reliable information, and then is taken to the customs officials to control.

The system of declaration is carried out with the help of statement according to the established form (written form, electronic data) of exact information about goods, property and transport means, about their customs regime and other information, which is necessary for customs officials.

The clearance from customs formalities means the fulfillment of requirements, established by law about train arrival and departure from the station, cargo import and export from the country. For example, the registration of all formalities

and documents (customs, sanitary, dues etc.), which are necessary for trains arrival/departure from the station.

Exercise 1

Answer the questions according to the text:

- 1 What articles are prohibited from being brought into many countries?
- 2 What articles are subjected to customs duties?
- 3 How are customs duties imposed?
- 4 What is the main task of Ukrainian customs?
- 5 Why animals entering the UK undergo a period of quarantine?

Exercise 2

Complete the following sentences using the facts from the text above:

- 1 The main task of Ukrainian Customs is ...
- 2 Fruit, vegetables, meat, plants, and seeds are ...
- 3 Each nation has ...
- 4 Customs inspectors may examine ...
- 5 If a person fails to declare an article ...
- 6 Most countries allow ...
- 7 They also allow ...
- 8 Countries usually impose ...

UNIT 2

Vocabulary

- 1 **to levy** – стягувати, збирати податки
- 2 **revenue** – річний прибуток
- 3 **income tax** – прибутковий податок
- 4 **tax** – податок, збір
- 5 **state tax / national tax** – державний податок
- 6 **customs tax** – митний податок

- 7 **surtax** – додатковий податок
- 8 **indirect tax / assessed tax** – непрямий податок
- 9 **local tax** – місцевий податок
- 10 **direct tax** – прямий податок
- 11 **taxation (tax collection)** – стягнення податку
- 12 **tax collector** – той, хто збирає податки
- 13 **tax relief** – знижка з податку
- 14 **tax rate** – ставка з податку
- 15 **to pay tax / make payment of tax** – проводити сплату податку, заплатити податок
- 16 **taxable / liable to a tax** – оподаткований податком
- 17 **tax-exempt / tax-free** – звільнений від податку
- 18 **to exempt from tax** – звільняти від сплати податку
- 19 **pay taxes outside the customser's territory** – платити податки за територією замовника
- 20 **to levy taxes on the customser's territory** – оподатковувати, стягати податок
- 21 **to abolish a tax** - скасовувати податок
- 22 **to cut down a tax / abate a tax** – знижувати податок.
- 23 **remission** – звільнення від сплати, скасування
- 24 **value added taxes** – податок на додану вартість
- 25 **to impede** – заважати
- 26 **imposition** – оподаткування
- 27 **domestic taxes** – побутовий податок
- 28 **GATT (General Agreement on Tariffs and Trade)** – генеральна угода з тарифів і торгівлі
- 29 **merchandise** – товари, торгівля
- 30 **preferential tariffs** – пільговий тариф
- 31 **to restrict** - обмежувати
- 32 **ad valorem tariffs** – вартісний тариф
- 33 **specific tariffs** – спеціальний тариф
- 34 **import duties** — ввізне мито
- 35 **the imposition by import rates** — податкове обкладення та імпорт
- 36 **completing articles** — комплектуючі
- 37 **consumer electronics** — побутова електроніка

- 38 **to collect an interest** — отримувати проценти
- 39 **domestic consumption** — вживання всередині країни
- 40 **long-term export deals** — довгострокові експортні угоди
- 41 **legal entities and individuals** — юридичні та фізичні особи
- 42 **to put something into practice** — використовувати
 будь-що на практиці
- 43 **subsequent** – наступний
- 44 **necessity** – необхідність, потреба
- 45 **to grant a delay** – дати відстрочку
- 46 **profitable** – прибутковий, вигідний, корисний

TEXT A: TAXATION

Taxation is a system of raising money to finance government services and activities. Governments at all levels - local, provincial, and national – require people and business to pay taxes. Governments use the tax revenues to pay the cost of police and fire protection, health programmers, schools, roads, national defense, and many other public services. Direct taxes are levied (charged) on the incomes or wealth of individuals or companies.

Taxes are as old as the governments. The general level of taxes has varied over the years, depending on the role of the government. In modern times, many governments - especially in advanced industrial countries - have rapidly expanded their roles and taken on new responsibilities. As a result, their need for tax revenue has increased.

Over the years, people have frequently protested against tax increases. In these situations, taxpayers have favoured keeping services at current levels or reducing them. Voters have defeated many proposals for tax increases by provincial and local governments.

TEXT B: KINDS OF TAXES

Governments levy many kinds of taxes. The most important kinds include property taxes, income taxes on transaction.

Property taxes are levied on the value of such property as houses, shops, factories, farms, and business equipment. The property tax first became important in ancient times. Today, it ranks as the chief source of income for many local governments. Property taxes are known as rates in some countries. They are called direct taxes because they are levied directly on the people expected to pay them.

Income taxes are levied on income from such sources as wages and salaries, dividends, interests, rents, and earnings of companies. There are two main types of income taxes - individual income taxes and corporate income taxes. Individual income taxes, also called personal income taxes, are applied to the income of individuals and families. Corporate income taxes are levied on earnings of companies or corporations. Income taxes may also be levied on the earnings of estates and trusts. They generally are considered to be direct taxes. The corporate income tax also may be described as the shifted tax. This is because Companies shift the cost of the tax to their customers by raising prices. Most nations in the world levy income taxes. Many people have income tax deducted automatically from their earnings by employers, who then pay it to the tax office.

Capital gains tax is a tax, separate from income tax, levied on profits received from the sale or exchange of real property, shares, or other assets. If losses are made on some sales, they can be subtracted from overall profits to work out the amount liable to capital gains tax. Some countries treat capital gains as ordinary income, and charge income tax on them.

Taxes on transactions are levied on sales of goods and services and on privileges. There are three main types of such taxes - general sales taxes, excise taxes, and tariffs.

General sales taxes apply one rate to the sales of many different items. In Australia, Canada, and the United States of

America impose sales taxes. The value-added tax is a general sales tax levied in France, Great Britain, and other European countries. It is applied to the increase in value of a product at each stage in its manufacture and distribution.

Excise taxes are levied on the sales of specific products and on privileges. They include taxes on the sales of such items as petrol, tobacco, and alcoholic beverages. Other excise taxes are the license tax, the franchise tax, and the Severance tax. The license tax is levied on the right to participate in an activity such as selling alcoholic beverages, using a motor vehicle, getting married, or going hunting or fishing. Franchise tax is a payment for the right to carryon certain kind of business, such as operating a bus service or a public utility. Severance tax is levied on processing of natural resources, such as timber, natural gas, or petroleum.

Tariffs are taxes on imported goods. Countries can use tariffs to protect their own industries from foreign competition. Tariffs provide such protection by rising the price of imported goods, thus making these goods more expensive than domestic products. Many countries still impose high tariffs on certain categories of imports, such as textiles. Their aim is less to raise revenue for the government than to protect domestic industries from foreign competition.

TEXT C: TARIFF

Tariff is a tax placed on the goods that one nation imports from another. Tariff is a duty or tax levied upon goods transported from one customs area to another either for protective or revenue purposes. Tariffs raise the prices of imported goods, thus making them generally less competitive within the market of the importing country unless the importing country does not produce the items so tariffed. After seven "Rounds" of GATT trade negotiations that focused heavily on tariff reductions, tariffs are less important measures of protection than they used to be. The term "tariff" often refers to a comprehensive list or "Schedule" of merchandise with the

rate of duty to be paid to the government for importing products listed, whereas the term "duty" applies only to the rate applicable to an individual tariff item. Many nations use tariffs to protect their industries from foreign competition. Tariffs provide protection by acting to raise the price of imported goods. Thus, tariffs encourage domestic firms to increase their production, and consumers are forced to pay higher prices for the protected goods. Tariffs on export are sometimes used in some countries to raise revenue. A nation may also use tariffs to influence, or protest against political or economic policies of other countries.

Nations set their tariff rates in various ways. They may have commercial treaties that include a most-favored-nation (MFN) clause. Under an MFN clause, each nation's lowest regular tariff rates apply to all countries that signed the treaty. Preferential tariffs, which are lower than MFN tariffs, may be applied to favour imports from less developed countries. Nations that form a customs union eliminate tariffs on trade among themselves.

These nations also have a common set of tariffs that cover their trade with nonmember countries. A common market has the same tariff policies as a customs union but provides for greater economic cooperation among its members. Nations that form a free trade area have no tariffs among themselves, but each member may set its own tariffs on goods produced by nonmembers.

TEXT D: MAIN KINDS OF TARIFFS

Tariffs may be classified according to their purpose. Tariffs levied to restrict imports are called **protective tariffs**. Those levied to increase government revenue are known as **revenue tariffs**. Many governments used revenue tariffs in the past. But today these tariffs are seldom used, because income taxes and sales taxes have become the main sources of government revenue. **Protective tariffs** are used more often. However, protective tariffs have also been reduced substantially in many countries since World War II ended in 1945.

Tariffs also may be classified according to the way in which they are levied. **Specific tariffs** are calculated according to a product's weight or volume. For example, a government may levy a specific tariff on a product at a rate of 10 cents per kilogram or 25 cents per liter. More specific tariffs are levied against such raw materials as iron, ore and rubber, and such food products as sugar, wheat, and wine. **Ad valorem tariffs** are levied as a percentage of the value of a product. For example, a rate of 5 per cent may apply to imports of such manufactured products as cars.

TEXT E: CUSTOMS TARIFFS IN UKRAINE

In every country import-export rates are supposed to fulfill four functions:

- to protect home producers from foreign competition in order to increase their own competitiveness in the domestic market;
- to limit exporting products in which there is a shortage in this country and to regulate foreign trade transactions for political interests;
- to supply local consumers, both legal entities and individuals, with products which are not produced in this country or produced insufficiently;
- to provide the state budget with additional financial resources.

In order to put these issues into practice, the Ukrainian government changed its import rates in 1994. The change of import duties affects mostly the status of foodstuff imports. Inflation and the subsequent price increases for energy, equipment and other materials, making storage, processing the products and their packing very expensive. Foreign suppliers have the opportunity to sell products at lower prices, though sometimes their products are of lower quality. Food intervention of imported goods has led to the reduction in the production of some agricultural products inside Ukraine. So the change of customs tariffs is based on an objective necessity to

protect local commodity producers and does not conflict with the General Agreement on Tariffs and Trade. Customs duties are levied only on those types of products which are produced in sufficient quantities.

The level of imposition by import rates was increased at an average of five to seven percent. Formally, the import rates were calculated as a percentage of the customs value of the imported goods. At the present time there is a universal order for introducing rates as an absolute sum for the imported unit (kilogram, liter, piece) value. For some types of agricultural products, mainly fruits and vegetables, seasonal duties with limited duration are in force.

Apart from the duties on foodstuffs the duties on some types of industrial products have also been increased. This step of the government is related to the fact that during the last several years Ukrainian industry has experienced difficulties connected with the success of sale of imported cars, electronics, and some other types of industrial import. Duty rates have been increased on different transport vehicles, on completing articles for assembling electronics and computers, on consumer electronics and on metal-cutting machines. The minimum duty sums per one item for cars depend now on the engine volume and the year of production.

The regulations for granting a delay in payment for import duties have also been changed. Previously, the delay was permitted for a period of no more than thirty days. This delay was granted to the importer with no additional fees or expenses. Under the new regulations, this period is prolonged up to sixty days, but a certain interest is collected throughout the whole duration of the delay.

Export duties in Ukrainian were set up in 1992. At that time world prices were much higher than internal ones and export was highly profitable, though it seriously hurt the level of domestic consumption. Nowadays, in relation to the increase in domestic prices, the existence of export duties negatively

affects the ability for long-term export deals. So export duties are supposed to be cancelled in future.

Exercise 1

Give English equivalents of:

внутрішній ринок (3 варіанти); місцеві споживачі; місцеві виробники товару; юридичні й фізичні особи; додаткові фінансові ресурси; ставки імпортного мита; продовольчі/промислові товари; устаткування; зберігання, переробка та упакування товарів; митні тарифи; ввізне мито; рівень оподатковування; вартість одиниці товару; сезонні мита; комплектуючі; рівень внутрішнього споживання; у середньому.

Exercise 2

Answer the following questions:

- 1 When did the Russian government change import duties rates?
- 2 What did this change mostly effect?
- 3 What was the result of inflation?
- 4 How does food intervention influence the home agricultural?
- 5 What are customs duties levied on?
- 6 What do the duty sums for cars depend on?

Exercise 3

Explain the meaning of the following terms in English:

the state budget; import duties; export duties; inflation; customs tariffs; imposition; industrial import; seasonal duties; consumption General Agreement on Tariffs and Trade.

Exercise 4

Use each of these collocations in sentences of your own:

to protect home producers; to regulate trade transactions; to supply local consumers; to put smth. into practice; not to

conflict with international practice; to produce in sufficient quantities; to be in force; to increase export/import duties on; to experience difficulties in smth.; to levy extra charges on.

UNIT 3

Vocabulary

- 1 **to clear** – виконати митне очищення
- 2 **to carry out customs clearance** – проводити митне очищення
- 3 **clearance for home use** – випуск товарів для внутрішнього споживання (довільного обігу)
- 4 **consumption** – споживання
- 5 **custom warehouse** – митний склад
- 6 **werehousing / storage** – збереження на складі, складування
- 7 **temporary admission** – режим тимчасового ввозу товару
- 8 **within the customs regulation** – у межах митних правил
- 9 **lodgments** – супроводжувальні документи
- 10 **certificates of origin** – сертифікат походження
- 11 **to be deferred** – бути відстроченим
- 12 **appropriate** – відповідний
- 13 **assessment** – сума оподаткування
- 14 **national legislation** – національне законодавство
- 15 **to be fulfilled** – виконувати
- 16 **prohibition** – заборона
- 17 **restrictions** – обмеження
- 18 **to designate** – визначати
- 19 **competence** – компетенція
- 20 **hours of business** – робочий час
- 21 **to consign** – відправляти
- 22 **frontier zone** – прикордонна зона
- 23 **government authority** – дозвіл уряду
- 24 **expenses** – витрати
- 25 **to satisfy** – задовольняти
- 26 **subsidized exports** – статті експорту, що підлягають

субсидіюванню

- 27 **to encourage** – підтримувати, заохочувати
- 28 **bonded warehouse** – митний склад для зберігання
товару, що не пройшов розтаможення
- 29 **excise** – акциз
- 30 **to obtain** – отримувати
- 31 **commodity** – товар
- 32 **bargain** – торгівельна угода, вигідна покупка

TEXT A: CUSTOMS CLEARANCE

Clearance are the formalities necessary to satisfy the customs officers before they will allow goods to be cleared from customs for dispatch or delivery elsewhere. The work is usually done by a clearing agent for imported goods and by a agent for goods being exported. Clearance is also a customs document given to the master of a rolling stock load or to leave the station.

Goods which are imported outright for use or consumption within the Customs territory must be declared for home use. They may be declared for home use either directly on importation or after another customs procedure such as warehousing, temporary admission or customs transit. The main obligations to be fulfilled by the declarant to obtain the clearance of goods for home use are the lodgments of a goods declaration with supporting documents (import license, certificates of origin, etc.) and the payment of any import duties and taxes chargeable. Under certain conditions the payment of import duties and taxes may be deferred.

The measures taken by the Customs in connection with clearance are: checking of the goods declaration and accompanying documents, examination of the goods, assessment and collection of import duties and taxes and release of the goods. Depending upon national administrative practice, these operations may be carried out in a different order from that shown above. Customs may also be responsible for obtaining the data required for trade statistics and for the

enforcement of other statutory or regulatory provisions relating to the control of imported goods. Other competent authorities may also carry out certain controls (veterinary, health, phytopathological, etc.) on goods declared for home use.

National legislation shall specify the conditions to be fulfilled and the customs formalities to be accomplished for the clearance of goods for home use. National legislation may include prohibitions and restrictions in respect of the importation of certain categories of goods. The customs authorities shall designate the customs offices at which goods may be cleared for home use. In determining the competence of these offices and their hours of business, the factor to be taken into account shall include the particular requirements of trade and industry.

The competence of certain customs offices may be restricted in terms of the mode of transport used or to specified categories of goods or to goods consigned to a specified region (e.g. the frontier zone or an industrial zone). The customs authorities may require that certain categories of goods (e.g. diamonds, antiques, works of art) be cleared for home use at customs offices designated for that purpose.

Exercise 1

Read and translate the definitions and try to memorize them:

| | |
|------------------|---|
| Tax | payment of money legally demanded by a government authority to meet public expenses |
| Clearance | (1) the formalities necessary to satisfy the customs officers before they will allow goods to be cleared (removed) from customs for dispatch or delivery elsewhere. The work is usually done by a clearing agent for goods and by an agent for goods being exported; (2) a customs document given only after examining the records carried by the rolling stock concerning cargo and payment of station dues |

| | |
|-------------------------|--|
| Dumping | the practice of a producer or supplier, usually a monopolist, who sells a product at a lower price in a foreign country than in the home market. If the higher home price subsidizes the export price, he enjoys an unfair advantage over producers in the foreign country and other exporters. Some countries practice or encourage dumping for the special purpose of getting a supply of certain foreign currencies |
| Bill of sight | document given to customs by an importer who cannot give a detailed description of the goods until they have been unloaded and inspected. When the missing information is provided by the importer, this is known as perfecting the sight |
| Bonded warehouse | a building in which dutiable goods may be stored under the control of customs and excise officers until the duty has been paid. Many importers and producers use such warehouses in order not to have to pay the duty until the goods are required for production or are about to be sold |
| Export license | a document obtained from the government giving permission to export certain goods. In some countries export licenses are needed for very few goods, such as certain works of art and antiques (things of historical interest), and certain arms and military stores |
| Import duty | a tax on goods coming into a country, for the purpose of raising money, or protecting industry against foreign competition, or reducing imports to help to correct an unfavorable balance of payments |
| Import quota | a stated quantity fixed by the government as the total amount of a commodity that may be imported into the country in a certain period. Importers of a commodity to which an import quota applies must first obtain an import license. Import quotas are |

| | |
|--|--|
| | used by governments to limit the amount of foreign exchange leaving the country, or to protect a home industry, or as a means of bargaining with a foreign country |
|--|--|

Exercise 2

Дайте відповіді на запитання до тексту "Customs Clearance":

- 1 What is "clearance"?
- 2 Who does the work of clearance?
- 3 When are the clearance documents given?
- 4 What are the obligations to be fulfilled by the declarant to obtain the clearance of goods?
- 5 What may be required by customs authorities to guarantee the payment of import duties and taxes?
- 6 What measures are taken by customs in connection with clearance?
- 7 What restrictions and prohibitions may national legislation include in respect of the importation of goods?
- 8 What requirements are taken into account by the customs authorities to designate the customs offices at which goods may be cleared?
- 9 How may the competence of certain customs offices be restricted?
- 10 Where can certain categories of goods such as works of art, antiques, diamonds, be released (cleared) for home use?

UNIT 4

Vocabulary

- 1 **to afford** – дозволяти
- 2 **facilities** – можливості
- 3 **dependent** – залежний
- 4 **instituting** – встановлювати
- 5 **admission** – вхід

- 6 **regard** – увага
- 7 **pending** – в очікуванні
- 8 **eventual** – можливий
- 9 **transshipment** – перевантаження товарів
- 10 **prosperous** – успішний
- 11 **prominence** – відомий
- 12 **declined** – знижуватися
- 13 **encouraging** – заохочування
- 14 **grant** – забезпечувати
- 15 **relief** – допомога
- 16 **concessions** – пільги
- 17 **regarded as** – розглядати як
- 18 **to be referred to as** – називатися
- 19 **to be termed** - визначатися
- 20 **distinction** – розбіжність
- 21 **permitted** – дозволено
- 22 **extend** – розширити
- 23 **preservation** – схоронність
- 24 **handling** – керованість
- 25 **improve** – удосконалити
- 26 **breaking bulk** – роздрібнювати велику партію на частки
- 27 **grouping of packages** – групування
- 28 **grading** – класифікація
- 29 **to undertake** – здійснюватися, починати
- 30 **processing** – обробка
- 31 **assembly** – монтаж
- 32 **enhancing** – збільшення
- 33 **external trade** – зовнішня торгівля
- 34 **host** – сторона, що приймає
- 35 **provision** – забезпечення
- 36 **thereby** – таким чином
- 37 **to be permitted** – бути у межах допуску
- 38 **Elaborate** – ретельно
- 39 **Trim** – приводити до ладу
- 40 **Garments** – одяг
- 41 **Coastal** – узбережний
- 42 **to treat** – трактувати

- 43 **payment of duties** – сплата податків
- 44 **to impose** – встановлювати
- 45 **shipped** – відправлений
- 46 **salary** – заробітна плата
- 47 **to repack** – перепакувати
- 48 **shipment** – навантаження
- 49 **to delay** – відкласти
- 50 **aging** – досягати старіння, дозрівання
- 51 **enforcement** – примушення
- 52 **sustaining** – що підтримує, доводить
- 53 **tool** – знаряддя
- 54 **territory economic structural formations** –
територіально-економічні структурні утворення
- 55 **technologies** - технологічні розробки
- 56 **scientific engineering zones** - науково-технічні зони
- 57 **to achieve advanced gains** - домогтися більших досягнень
- 58 **tax rates** - податкові ставки
- 59 **preferences** - пільгові мит

TEXT: FREE ZONES

Free zones (FZ) are established in order to afford customs-privileged facilities to neutralize the cost-raising effects of tariffs and other regulatory measures in the operation of export-related activities. Free zones serve the purpose of facilitating the operation of import-dependent export activities by instituting procedures which are simpler than other temporary admission procedures.

Free zone is an area within a country regarded as being outside its customs territory. Importers may bring goods of foreign origin into such an area without paying customs duties and taxes, pending their eventual processing transshipment or re-exportation. Free zones were numerous and prosperous during an earlier period when tariffs were high. Some still exist in capital cities, transport junctions and major seaports, 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".

The advantage of FZ is that it provides jobs for native workers and markets for goods produced in the country. There are now ninety seven such zones in the USA, for example. They are doing more than \$7 billion of business and create more than 30 thousand jobs. The most well-known are the Brooklyn Navy Yard (New York), Del Rio (Texas), Port Everglades (Florida), etc. In the Brooklyn Navy Yard over 150 firms do business. Many U.S. workers there repackage goods for shipment to foreign markets. In other cases companies use an FZ to delay customs duties on goods that are not yet ready for market. For example, a wine company in the New Orleans FZ is aging its wine for future distribution.

With a view to encouraging the development of their international commerce, several countries grant indefinite relief from import duties and taxes, and provide other concessions in respect of goods introduced to a part of their territory which is generally regarded as being outside the customs territory. This part of the territory is referred to as a free zone. These free zones may be termed free ports, free warehouses or industrial processing zones.

A distinction is also made between commercial and industrial free zones. In commercial free zones, the permitted operations generally extend to those necessary for the preservation of goods and the usual forms of handling to improve their packaging or marketable quality. Operations which prepare the goods for shipment, such as breaking bulk, grouping of packages, sorting, grading and re-packing, may be undertaken. Other operations in connection with the transport of goods, such as loading, unloading, trans-shipment and storage, may also be performed in commercial free zones. In industrial free zones, manufacturing, processing or assembly operations are performed with goods being imported for these purposes. Goods of domestic origin or in free circulation in the customs territory may be allowed into free zones for manufacturing, processing and assembly. In certain countries, the commercial and industrial activities are combined in the same free zone.

Apart from enhancing the development of a country's external trade and commerce, industrial free zones, in

particular, are increasingly viewed as an effective means of attracting export-oriented industries which are expected, through their investment and operations, to provide investable resources, technology and employment to the host country. Free zones are established by making formal provision in national legislation.

Free zones are generally established at seaports, river ports, airports and places with similar geographical advantages. Easy access to places of entry and exit within the country eliminate the need for goods to cross the customs territory, thereby reducing the need to apply the usual customs controls. Due to the location of certain free zones it may be necessary for goods to be moved across the customs territory when travelling to or from free zones, from or to seaports, airports or land frontiers (rail and road traffic). In such situations, goods can be permitted to move under a national or international transit procedure. Free zones may cover the entire port area where several commercial activities are permitted.

Exercise 1

Дайте відповіді на такі запитання, використайте інформацію з попередніх текстів:

- 1 What are Free (foreign, trade) Zones?
- 2 Do the businessmen pay any duty when they ship goods into a FZs?
- 3 What is the major advantage of FZs?
- 4 How many FZs are there in the USA?
- 5 How much business are they doing?
- 6 How many jobs are they creating?
- 7 What are the most well-known FZs in the USA?
- 8 What do American workers do in the Brooklyn Navy Yard?
- 9 What is the wine company in the New Orleans FTZ doing?

Exercise 2

Прочитайте та перекладіть такі речення:

- 1 Free zones serve the purpose of reducing costly administrative requirements.

- 2 A free zone is regarded as being outside the customs territory.
- 3 Such operations as re-packing, loading, unloading, grading may be undertaken,
- 4 Some goods are allowed into free zones for packaging.
- 5 Apart from encouraging the development of a country's external trade, free zones provide technology.
- 6 Free zones are established by introducing formal provision in national legislation.
- 7 Free zones make the temporary admission procedure simpler by reducing the need to apply the usual customs control.
- 8 Countries open free zones with a view to encouraging international commerce.
- 9 Free zones are viewed as an effective means of neutralizing the cost-raising effects of tariffs.
- 10 There are several forms of preparing the goods for shipment.

Exercise 3

Складіть речення, підбравши відповідне закінчення з правої колонки:

| | |
|---|--|
| 1 Free zones are established... | a) manufacturing, processing and assembly |
| 2 A free zone is generally regarded as... | b) making formal provision in national legislation |
| 3 In commercial free zones certain operations are performed with goods... | c) to afford customs-privileged facilities |
| 4 Goods of domestic origin may be allowed into free zones for... | d) seaports, river ports, airports and places with similar geographical advantages |
| 5 Industrial free zones are expected | e) being outside the customs territory |
| 6 Free zones are established by ... | f) a national or international transit procedure |
| 7 Free zones are established at... | g) being imported for these purposes |

| | |
|---|---|
| 8 Goods can be permitted to move under... | h) to provide investable resources, technology and employment to the host country |
| 9 Free zones may be termed.... | i) several commercial activities are permitted |
| 10 Free zones may cover the entire port area where... | j) free ports, free warehouses or industrial processing zones. |

Exercise 4

Заповніть пропуски в реченнях словами, поданими в рамці; утворені речення запишіть та перекладіть:

| | | | |
|-------------|----------------|------------|--------------|
| restriction | to balance | government | department |
| examination | trade | exported | customs duty |
| re-export | customs duties | import | licenses |

- 1 The Free zone is an area where there are no trade _____.
- 2 _____ A situation where there are no tariffs on the import and export of goods is called free.
- 3 _____ Customs duty is a _____ tax paid on certain imports and exports.
- 4 _____ Board of Customs and Excise is the _____ of the British Government responsible for collecting certain taxes on goods and for preventing smuggling.
- 5 _____ The goods were released from the bonded warehouse where they were kept until the _____ had been paid.
- 6 _____ Bill of entry is a detailed list of goods prepared by the exporter or importer for _____ by customs.
- 7 _____ Most of these products are _____ to Spain.
- 8 Some works of art require export _____ before they are sent abroad.
- 9 Export quotas were introduced on coffee _____ supply with demand in the export market.
- 10 _____ Regulations that control the import of goods or currencies from other countries are called restrictions.

- 11 Free port is a port such as Gdansk, Rotterdam, or Singapore and are free of _____ .
- 12 The area around the port is known as a foreign trade zone or free zone where goods can be landed and warehouse before _____ without the payment of customs duties.

Exercise 5

Read and translate the dialogue

Free Economic Zones (FEZ)

A: I say, did you hear anything about free economic zones?

B: What actually interests you about them?

A: Well, I have a lot of questions. What are they? Who organized them? What is...

B: Not so many questions at once, please. Free economic zones were formed on the initiative of local authorities with the permission the central government of Russia. They are considered to be independent territory economic structural formations with a special currency-financial, legal, customs and organizational-social system

A: What are they meant for?

B: Their main objective is to provide more favorable conditions the development of foreign economic links.

A: Does that mean that they are created to protect the interests of foreign capital?

B: Exactly. They are supposed to attract foreign investments, technologies and products into the Russian economy. And not only this. In addition, these zones should help in the development of domestic production on the basis of modern achievements in science and technology.

A: Are all these zones alike?

B: No, they are not. As a matter of fact, they are divided into three groups.

A: What kind of groups are they? Could you describe them in detail, please?

B: Certainly. The first group includes customs which are frontier zones. They are usually created at sea or river ports, at large frontier railway junctions and at airports. The second group are scientific engineering zones.

A: What are they intended for?

B: Foreign potential is attracted here to develop some of the directions in science and engineering, and to achieve advanced gains modern technology. But the largest and the most important is the third group, that is general economic zones. Usually they represent a part or the whole of the territory of the administrative region or area and also large port cities.

A: Are free economic zones given any special rights?

B: Of course they are. Being an integral part of the territory of the country, a free economic zone enjoys the main right to define its social and economic policy independently if this does not contradict the rules and laws of Russia. It means that authorities of the zone can regulate export-import transactions, set the order of entry, exit and stay for foreign citizens on its territory, establish direct foreign economic and cultural links. A: What are tax privileges in a free economic zone? B: Authorities of the zone have the right to carry out budget and taxation politics of their own within its territory. They independently develop the system of taxation, set financial and other privileges starting with world tax rates and preferences.

Exercise 6

Give English equivalents of the following Ukrainian phrases:

з ініціативи місцевої влади; з дозволу центрального уряду; незалежні структурні утворення; забезпечити найбільш сприятливі умови; захистити інтереси іноземного капіталу; залучати іноземні інвестиції; вітчизняне виробництво; технологічні розробки; сучасні досягнення науки й техніки; прикордонні зони; великі залізничні вузли; регулювати експортно-імпорتنі операції; установити

порядок в'їзду, виїзду й перебування; установити пільгові мита.

Exercise 7

Answer the following questions:

- 1 How are free economic zones (FEZs) formed?
- 2 What is the most important economic characteristic of a FEZ?
- 3 What is the objective of such zones?
- 4 What are these zones supposed to do?
- 5 Where are they usually organized?
- 6 How many groups are free economic zones divided into?
- 7 What can you say about the first group of FEZs?
- 8 What can you say about the second group of FEZs?
- 9 What is the third type of FEZs?
- 10 What rights does a FEZ enjoy?
- 11 What are the privileges in FEZs?
- 12 Why are foreign investors attracted to FEZs?

UNIT 5

Vocabulary

- 1 **to gain indemnity** — забезпечення відшкодування витрат
- 2 **insurance premium** — страхова винагорода, премія
- 3 **insurance coverage** — страхове покриття
- 4 **insurance against fire** — страхування від пожежі
- 5 **theft/burglary insurance** — страхування на випадок крадіжки
- 6 **accidence insurance** — страхування від нещасних випадків
- 7 **against all risks** — страхування від усіх ризиків
- 8 **"with average"** — включаючи аварію
- 9 **"free of particular average"** — вільно від приватної аварії
- 10 **general average** — загальна аварія
- 11 **a floating policy** — генеральний страховий поліс
- 12 **a cover note** — «ковернот», свідоцтво про страхування
- 13 **to make a claim** — заявити претензії, подавати позов
- 14 **an insurance surveyor** — страховий інспектор

- 15 **a report on the damage** - звіт про понесений збиток
16 **to put in a claim for compensation** - висунути вимогу
про компенсацію
17 **the nature and extent of the damage** - характер і
розміри понесеного збитку
18 **indemnity** - відшкодування, компенсація
19 **to jeopardize a claim** - заперечити в суді поданий позов
20 **a consignee** – вантажоодержувач, замовник

TEXT A: INSURANCE :THE REASON FOR INSURING GOODS

The general idea of insurance is to gain indemnity in the case of any happening that may cause loss of money.

Insurance has become more and more significant as commerce has developed. Neglecting to insure goods either warehoused or in transit is all very well until something goes wrong. While goods are being stored, there are the risks of fire and burglary. With the goods in transit the number of hazards even arise. While transporting, the goods may be damaged through a lot of reasons; for example vibration, an accident, poor handling, change of temperature, etc. And, of course, there is always the threat of pilferage when either a small part of consignment or the total contents of trailers or containers disappear without trace. Consequently, the reason for insuring goods is evident — both the buyer and the seller are protected against financial loss which may arise through no fault of them.

Goods are normally insured for the full amount of their value, which is calculated as: price of goods + cost of freight + insurance premium + percentage of the total sum to represent a reasonable profit for the seller. There may be different types of insurance coverage — insurance against fire⁴, theft/burglary insurance, accident insurance and a lot of others. But the usual procedure is to insure goods against all risks. This type of insurance involves a W.A. clause (= "with average", where the word "average" derived from French *avarie* means damage),

which denotes that insurers pay claim for partial losses. The F.P.A. ("free of particular average") type of insurance means that partial losses are not covered.

Particular average denotes partial loss or damage accidentally caused to a particular lot of goods. The responsibility for particular average is set either upon the owner of the lost property or those who caused damage.

In the case of general average, which means any extraordinary loss, damage or expenditure borne for the purpose of preserving the ship and the cargo, all the parties interested in the adventure are responsible. The following events may serve as examples of general average: when goods are thrown into the sea to lighten the ship, when cargo is damaged by water used to put out a fire, the cost of towing ship into the port for repair, etc.

The principal document used in insurance is insurance policy which acts as a contract. The policy may be known as a floating policy when it covers a large quantity of goods for a fairly long period, usually a year, or it covers goods up to a large sum of money. For each shipment of goods another document is issued, which is called the insurance certificate.

A cover note is a small document issued by the insurance agents to their customers, to tell them that their goods are insured, and to give proof of this until the policy is ready.

Exercise 1

Answer the following questions:

- 1 What is the general idea of insurance?
- 2 What kind of hazards can arise while goods are being stored or are in transit?
- 3 How are goods normally insured?
- 4 How is insurance value calculated?
- 5 What types of insurance coverage can you mention?
- 6 What do W.A. and F.P.A. clauses mean?

- 7 What's the difference between a particular average and a general average?
- 8 What kind of documents are issued by insurers?

Exercise 2

Give English equivalents of the following:

страховка (страхова сума); страхова справа; страхова премія; страхове покриття; страхування від пожежі / на випадок крадіжки / від усіх ризиків; генеральний страховий поліс; крадіжка; дрібна крадіжка; погане поводження (з товаром); ризик.

Exercise 3

Read and translate the dialogue:

Making an Insurance Claim

- Look, it's all very well if the goods collected from the port, airport or whatever station is agreed upon are in good condition. But what if as a consignee I got my goods damaged? What am I supposed to do under these circumstances?
- The most reasonable action of yours in this situation is to make an insurance claim.
- What do you mean by making an insurance claim?
- This procedure includes two essential steps. The first one is to call in a properly qualified and disinterested person who will inspect your cargo.
- What kind of person is he?
- We call him an insurance surveyor. He must be employed by a company which has insured your goods.
- Why is it necessary to call in a surveyor to inspect the goods?
- No insurance company will ever pay compensation unless they receive a report on the damage from a surveyor. If they didn't require such a report they would soon be out

of business, because it would be very easy for buyers to say that the goods had arrived damaged and then put in a claim for compensation.

- Oh, I see. And what precisely should the surveyor inspect?
- He should inspect the packing — cases, boxes, crates, bottles, etc. — and the contents and report on the nature and extent of the damage.
- That's clear. Well, what is my second step?
- You must also report the damage to the sellers. If you are not able to sell the damaged goods you may ask for replacement for which you will pay separately, setting the amount of the indemnity against this additional payment to be made.
- What about the spoilt goods? Am I to send them back?
- Not necessarily. If the articles have been scratched or chipped, that is partly damaged, you can try to sell them at a considerably reduced price. And there is one more very important thing to be done. If you consider to make a claim, do it without delay, otherwise your claim on the insurers may be jeopardised.

Exercise 4

What do we call?

- 1) a person with special knowledge employed by an insurance company to examine and report on a proposed risk;
- 2) a demand made by an insured party on the insurer for payment under an insurance policy;
- 3) the description of loss of goods value caused by being broken or spoilt;
- 4) a payment to make good a loss;
- 5) to demand for compensation;
- 6) to lose a job

Exercise 5

Answer the following questions:

- 1 What is necessary to do if a consignee gets his goods damaged?
- 2 What are the essential steps of making an insurance claim?
- 3 Who is an insurance surveyor?
- 4 Why is it necessary to employ a surveyor?
- 5 What does the surveyor report on?
- 6 What can you demand from the sellers?
- 7 What can you do with damaged goods?
- 8 Why is it important to make a claim without delay?

Exercise 6

Give English equivalents of:

- a) домовитися про що-небудь; подати позов страховій компанії; викликати страхового агента; виплачувати компенсацію; відшкодувати збиток; висунути вимогу про компенсацію; робити що-небудь негайно; заперечувати позов у суді;
- b) за зниженою ціною; за даних обставин; у гарному стані; незацікавлена особа.

UNIT 6

Vocabulary

- 1 **an important asset** — важлива особливість
- 2 **in transit** — у шляху
- 3 **a forwarding agent** — експедитор
- 4 **an unmarked consignment** — немаркований вантаж
- 5 **the goods become practically untraceable** — товари практично неможливо відстежити
- 6 **through a metal stencil** — за металевим трафаретом
- 7 **weights and dimensions** — розміри й вага
- 8 **both for the owner's and the carrier's benefit** — в інтересах як власника вантажу, так і перевізника.

TEXT A: DISPATCH OF GOODS: PACKING AND MARKING

Nothing is more infuriating to a buyer than to find his goods damaged or partly lost on arrival. The buyer has a right to expect his goods to reach him in a perfect condition and the seller has to organize the dispatch of goods in such a way that the problems which might occur during the transit should be as less serious as possible. The important assets of export distribution are packing and marking.

Packing is intended to protect goods from all types of different hazards. Cargo in transit may be threatened by natural phenomena or by man-made problems which include pilferage. The damage to a consignment of goods may also be caused by its proximity to another shipment. So the general aim in all packing is not only to make the goods secure during the journey, but at the same time to make the package as small and light as possible. Transport costs on land usually depend on the weight but on the sea the size of the package is also significant.

To handle the problems that face export dispatches, in many large export firms special departments for export packing have been established and the whole problem is under regular control. They also may employ a forwarding agent to do packing for them.

For correspondence, the following specialized terms of packing containers are useful to know:

bag (пакет),
crate (ґратчаста тара),
bale (тјук, стос),
container (контейнер),
barrel (дерев'яна бочка),
drum (циліндричний контейнер)
box (ящик з дерева або металу),
bundle (зв'язування, пачка),

sack (мішок),
carboy (балон),
tin/амер. can (маленький металевий контейнер),
carton (картонна коробка),
case (міцний ящик, скріплений рейками)

The marking of goods is very important because an unmarked consignment may be mislaid at some stage. Even worse, the unmarked goods become practically untraceable. At the same time, marking should not reveal any excess information about the contents of the goods in order to avoid the risk of theft.

There are three principle types of marking, which are usually done by paint or ink through a metal stencil on export packages:

The consignee's own distinctive marks, which are registered and play the role of identification. These marks, including the name of place of destination, serve as the address on an envelope.

Any official mark required by authorities of the country of export or import. Some countries require the name of the country of origin of the goods to be marked on each package, others — weights and dimensions or both.

Special directions or warnings. Here you will find some special instructions regarding manner of handling, loading, lifting and various warnings both for the owner's and the carrier's benefit.

Below are the most widespread examples:

| | |
|--------------------------------|---|
| Handle with care | Обережно! |
| Glass — with care | Обережно, скло! |
| Acid — with care | Обережно, кислота! |
| Fragile | Обережно, крихкий вантаж! |
| Te be kept cool | Зберігати в прохолодному місці |
| Use no hooks | Не користуватися гаками |
| Stow away from heat | Тримати віддалік від нагрівальних приладів |

| | |
|--|--------------------------|
| Keep dry | Берегти від вологи |
| Do not drop | Не кидати |
| Do not stow on deck | Не складати на палубі |
| This side up | Верхня частина |
| Open this end | Відкривати тут |
| Lift here | Піднімати із цього кінця |
| Perishable | Швидкопсувний продукт |
| Inflammable | Вогнебезпечно |

Exercise 1

Translate the following English collocations and use them in sentences of your own:

to make something secure; to handle a problem; to be under regular control; to play the role of identification; to be mislaid; to become untraceable; to reveal excess information about something; to avoid the risk of theft; through a metal stencil; for somebody's benefit.

Exercise 2

Answer these questions:

- 1 What are the important assets of export distribution?
- 2 What can happen to cargo in transit?
- 3 Why is it important to keep the package as small and light as possible?
- 4 What are the functions of a forwarding agent?
- 5 What kinds of packing containers can you name?
- 6 Why is it important to mark the goods in a proper way?
- 7 What are the three principal types of marking?
- 8 How can warnings and directions be represented?

Exercise 3

Explain the meaning of the following terms in English:

transport costs; a forwarding agent; destination; export distribution; an unmarked consignment; to give an excess information; a metal stencil; the manner of handling; stencilling symbols.

Exercise 4

Give English equivalents of the following Ukrainian words and expressions:

- a) зміст; природні явища; близькість; балон; ґратчаста тара; зв'язування (пачка); циліндричний контейнер; обережно, тендітний вантаж; швидкопсувний продукт; трафарет; розміри; вага; партія товару; не кидати; вогненебезпечно
- b) вантаж; упакування; маркування; відправлення; відправник; одержувач; експедитор; місце призначення; створені людиною проблеми; у відмінному стані; під час перевезення; перевезення по морю/повітря; безпека.

UNIT 7

Vocabulary

- 1 **to complete the documentation requirements** - виконати вимоги до оформлення документації.
- 2 **storage charges** - плата за зберігання; складські витрати
- 3 **to release the goods** - зняти арешт із товару;
«випустити», «розмитнити» товар
- 4 **to exercise one's power** - скористатися своєю владою
(правами)
- 5 **to seize goods** - накласти арешт на товари
- 6 **cash flow** – потік готівки, рух коштів
- 7 **a packing list** - пакувальний список
- 8 **the certificate of origin** - сертифікат походження
- 9 **the CMR form** - транспортна накладна (Сі-Ем-Ар-Форма)

- 10 **bill of lading** - коносамент, морська (транспортна) накладна
- 11 **air waybill** - авіавантажна накладна
- 12 **carbon oil** - бензол
- 13 **with double hooping as reinforcement** - скріплені двома обручами для міцності
- 14 **the Test Certificate** - сертифікат заводських випробувань
- 15 **the set of the documents** - комплект відвантажувальних документів
- 16 **within the customs regulations** - у рамках митних правил
- 17 **DHL** - міжнародна експрес-пошта
- 18 **turnround** - час на оберт судна в порту розвантаження, виконання формальностей і т.д.
- 19 **demurrage** - плата за простій судна; «демередж»
- 20 **penalty** - штраф
- 21 **international road freight** - міжнародні автодорожні перевезення
- 22 **the consignment note** — транспортна накладна
- 23 **a hauler** — власник вантажівки (трейлера)
- 24 **a shipping line** — судноплавна лінія
- 25 **a freight forwarder** — транспортний агент, експедитор
- 26 **a receipt of goods** — вантажна квитанція
- 27 **the contract of carriage** — контракт на перевезення
- 28 **a document of title** — товаророзпорядчий документ
- 29 **to establish a document** — дати юридичне підтвердження документа
- 30 **the Single Administrative Document** — Єдиний адміністративний документ

TEXT A: EXPORT-IMPORT DOCUMENTATION

The acquisition of overseas customers is only the first step in selling goods abroad. The job is not complete until a consignee has physically received the consignment and the consigner has been paid. The final part of the order cycle

involves completing the documentation requirements, arranging the transport and ensuring the payment.

Every exporter can recall a horror story related to problems with documentation. Of course, some problems may be unavoidable, but in too many cases it is the exporter who has not been punctual enough in providing the required documents.

Errors in documentation cost money. The first consequence of a mistake is a delay to the consignment which may be kept in a warehouse under customs control. Whenever the delay occurs, storage charges will become payable almost immediately, and they have a tendency to rise as the delay extends.

The storage charges have to be paid in full. The warehouse operator will simply refuse to release the goods until all charges have been settled. The customs warehouses are not meant for long-term storage, that is why most customs authorities exercise their power to seize goods which have not been cleared through customs within a certain period.

The other danger of delay is the loss of confidence by the customer. Moreover, any delay in delivery will immediately lead to a deferment in settlement of the invoice, which will affect cash flow.

Documentation for export is not complicated. Many of the forms required for importing goods are the same as for exporting. These include invoices, packing lists, the certificate of origin, the CMR form, bill of lading and air waybill. The first three forms are issued by the consignor, the rest should be completed by carriers.

The basic document used both in export and import is a commercial invoice. The details that will always appear in it are the names, addresses and other information about the consignor and the consignee and a full description of the goods. Other details on the invoice will be the marks and numbers of the packages, the price and terms of sale. Normally, every invoice should contain a statement about the

origin of the goods and in some cases it is compulsory to state the country of origin.

The other document frequently requested is a certificate of origin, which should be completed before the goods are exported. Usually certificates of origin are obtainable from chambers of commerce.

A packing list will detail the contents of a consignment. It contains the number and kind of packages, their contents, the net and gross weight (in kilograms as a rule) and the full dimensions and total size of each package.

Exercise 1

Answer the following questions:

- 1 When is the job of selling goods abroad considered to be completed?
- 2 What does the final part of the order cycle involve?
- 3 What can every exporter recall?
- 4 What is the first consequence of a mistake in documentation?
- 5 Why will the warehouse operator refuse to release the goods?
- 6 What are the other consequences of delay in delivery?
- 7 What are the main documentation forms required for exporting as well as for importing goods?
- 8 What is a commercial invoice?
- 9 From where are certificates of origin usually obtainable?
- 10 What should a packing list detail?

Exercise 2

Find in the text English equivalents of the following:

- a) під митним контролем; митна влада; вага й обсяг кожного пакувального місця; баланс оборотних коштів; помилки в документації; втрата довіри; зміст; умови оплати; додаткові витрати; вага нетто й брутто;

b) накладити арешт на майно; виконати вимоги до оформлення документації; зняти арешт із майна (товару); оплатити перевезення повністю; вказати країну відправлення.

Exercise 3

Read and translate the text:

Customs Documents

The following documents should be presented to the Customs or be enclosed with the accounts when goods are declared:

- Customs declaration, filled in and complete, with customs duties and taxes calculated and entered on the form.
- Bill of Lading, freight document, notice of arrival or similar document issued in connection with buying or selling the goods (one copy will be kept by the Customs if the Customs declaration is surrendered at the customs house).
- Documents of origin when customs clearance of goods from certain countries under the terms for preferential trade is claimed, for example EEC or EFTA countries.
- Licenses, permits, etc. for goods which are subject to import restrictions (not all types of goods can be imported freely).
- Other documents requested by the Customs in order to determine the correct customs tariffs (duty rates, etc.), weight, quantity or value of the goods.

Relevant documents are catalogues, folders, weight specifications or contract documents.

Exercise 4

Give English equivalents of:

рахунки; заповнена повністю; митниця (будівля); на умовах преференційної торгівлі; Європейське

співтовариство; Європейська асоціація вільної торгівлі; рекламна книжечка (складна); дозвіл (документ).

Exercise 5

Read and translate the dialog:

Customs Control of the Cargo

Customs Officer: Good morning. Who's the captain here?

Captain: Good morning. My name is Brook. What can I do for you?

Customs Officer: Customs control. Please be ready to complete customs formalities. What cargo do you carry?

Captain: Machinery equipment and chemicals.

Customs Officer: What kind of chemicals?

Captain: Carbon oil.

Customs Officer: How is it packed?

Captain: It's packed in 500 kg drums made of steel, with double hooping as reinforcement.

Customs Officer: Where did you have the cargo loaded and what ports did you call on your way?

Captain: All details of our route as well as the names of the consignor and the consignee are marked in the shipping documents.

Customs Officer: O.K. Can I see them?

Captain: Certainly. Here they are. The Bill of Lading, the Invoice, the Insurance Policy and two Certificates...

Customs Officer: Excuse me, you've said you are carrying some kind of equipment?

Captain: Right. It's machinery equipment. And why?

Customs Officer: I can't see the Test Certificate.

Captain: But is it necessary? We are delivering this equipment not for the first time.

Customs Officer: Doesn't matter. The set of the documents should be complete with each consignment. It's one of the required formalities which are carried out within the customs regulations. In other case the cargo won't be cleared.

Captain: I see. Do you need the original?

Customs Officer: Yes. Only original documents are considered to be valid while going through the customs clearance.

Captain: Oh, God! What shall we do then? I will contact with the consignor for this certificate straight away, and no doubt they will sent it by DHL immediately. But it will take time and our turnround is only two days. The day after tomorrow the ship is due to sail off. Otherwise we shall have to pay the demurrage to the ship owner.

Customs Officer: We'll do it in the following way. I'll give you a permit for unloading. After unloading the cargo will be stored at the customs warehouse awaiting release from Customs Control.

Captain: And how much are storage charges?

Customs Officer: For three days the cargo is stored free of charge. Then for each day of delay you should pay the penalty at the rate of \$ 60.

Captain: I see. The only thing left is to hope for the good job of the express post.

Customs Officer: Hope dies the last.

Exercise 6

Answer the following questions:

- 1 What are the questions asked by the Customs officer before checking up the documentation?
- 2 What are the shipping documents?
- 3 What is marked on the shipping documents?
- 4 What are the required Customs formalities?
- 5 What kind of documents are valid?

- 6 In what cases is the demurrage paid to the ship owner?
- 7 What did the Customs officer promise to give?
- 8 What will happen to the cargo after unloading?

Exercise 7

Give the English equivalents of:

митний контроль; виконувати митні формальності; маршрут; страховий поліс; сертифікат заводських випробувань; комплект відвантажувальних документів; мати юридичну чинність; експрес-пошта; плата за простій судна; судновласник; безкоштовний; штраф.

Exercise 8

What do we call?

- 1) money paid to a ship owner in accordance with a charter-party if the charterer delays the sailing of the ship;
- 2) a payment of money for breaking a law;
- 3) a written document by which the insurer in return for a payment is to pay a certain sum of money if a stated event happens;
- 4) a regular course taken by a transport service;
- 5) something that has to be done because a rule has to be obeyed.

TEXT B: TRANSPORT DOCUMENTATION

Every mode of transport has its own specific document which remains the same irrespective of the method of transportation. For air transport it is the air waybill, referred to as the AWB, while for sea transport it is the bill of lading shortened frequently to the B/L. For international road freight,

the consignment note completed by the haulier is the CMR note.

The bill of lading is one of the oldest documents used in international trade. Bills of lading used to be issued either by shipping lines or by freight forwarders and also by the International Federation of Freight Forwarders Association (FIATA). All Bs/L are fairly similar in appearance, the only difference is the name of the shipping line stated at the top. Details of the shipment appear in the body of the document with the space for signatures at the bottom. The reverse side is filled with the detailed description of the conditions of carriage which become important when something goes wrong.

The B/L serves to fulfill three main functions. Its first function is to act as a receipt of goods, as it will include full details of the number of packages at the description of the goods.

The B/L is also the contract of carriage between the shipper and the shipping line. The bill is completed after the ship has left the port, as only then can the shipping line complete the parts of the bill regarding the name of the vessel and the sailing date.

The third function of the B/L is as a document of title. This means that anyone who presents the B/L can take delivery of goods

The CMR is normally completed by the hauler and available for signature by the sender when the goods are collected. The CMR will contain all the relevant information about the load and the details of the trailer and the carrier. The first copy of the CMR remain with the sender, the second accompanies the goods and the third is retained by the carrier. Upon the charge of the goods, the consignee will be asked to sign the CMR. There is space on the CMR for the exporter (or importer) to add any information which might assist the hauler.

The air waybill is used for all airfreight; it is completed either by the airline or the airfreight forwarder who will establish the document. Unlike the bill of lading, the air waybill is not a

document of title; it acts as a consignment note. The number in the top right-hand corner is unique and is used to identify the goods at all stages of their journey as well as when they are collected by the consignee, so it is important to let your customer have the air waybill number as soon as possible.

The waybill is also used as an accounting document with charges added as the goods move through various stages of their journey.

There is one more specific export/import document, which was introduced in January 1988 and replaced many of the existing customs forms. It is called the Single Administrative Document (SAD) that acts as a customs declaration. The SAD is used throughout the European Community and, apart from language differences, all member states of the EC use the same form. The SAD is an eight-part document which accompanies the goods from door to door; some parts of this form are filled by the exporter, some by the freight forwarder at the time of export and other parts — by the freight forwarder handling the import.

Exercise 9

Answer the following questions:

- 1 What modes of transportation do you know?
- 2 What are the specific documents for each mode of transportation?
- 3 By whom are bills of lading issued?
- 4 What is the only difference in their appearance?
- 5 How should the bill of lading be filled?
- 6 What functions does the bill of lading fulfill?
- 7 By whom is the CMR completed?
- 8 What information does the CMR contain?
- 9 What is the air waybill?
- 10 What is the function of the air waybill?
- 11 What document was introduced in 1988?
- 12 Where does SAD function?
- 13 Of how many parts does SAD consist?

14 By whom are the different parts of SAD filled in?

Exercise 10

Give English equivalents of:

сфера комерційної діяльності; увійти в контакт із будь-ким; надати на контроль; митні органи; митні збори й мита; обмеження; наркотичні й лікарські засоби; заповнити декларацію; ліцензія; митна служба; увезений; порушення; покарання; митне очищення.

Exercise 11

Read and translate terms and their abbreviation, and give explanations each of them using the commentary:

| | |
|-----------------------------------|---|
| Air waybill (AWB) | In air transport, a document that is both a receipt for goods and a record of the existence of a contract of carriage |
| Bill of landing (B/L, b/l) | A shipping document given by the transporters acknowledging receipt of a goods and promising to deliver them |
| Customs | A group of government officials responsible for collecting customs duties and for controlling the import and export of forbidden goods |
| Certificate of origin | A formal declaration stating the name of the country in which certain goods have been manufactured |
| Account | Record of financial transactions over a period of time, such as money paid, received, borrowed or owned |
| Value Added Tax | Tax imposed as a percentage of the invoice value of goods and services |
| Letter of credit | A letter from one party to another by which a customer named in the letter is given the right to obtain the money, credit or goods for which the writer of the letter takes |

| | |
|---------------------------------|--|
| | responsibility |
| Free on rail | Price including all the seller's costs until the goods are delivered to the railway for shipment |
| World Trade Organization | 1 International organization set up with the aim of reducing restrictions in the trade between countries |

Exercise 12

Complete the following sentences using the appropriate words and word expressions from the box below:

commodity; import or export documents; penalty; the Customs; duties and taxes; restrictions; importing or exporting; Customs authorities; importable; customs regulations; for control; violation; delivered; customs clearance; customs tariff; receipts; declared; customs declaration

- 1 If your line of business involves_____of goods, you will come into contact with the_____. All goods must be_ and presented_____.
- 2 Declaring a_____involves giving the Customs authorities information about the commodity, which they need in order to determine the correct _____for the commodity. This information which includes weight, quantity, value and etc., forms the basis for calculating customs_____.
- 3 Some goods, for example foodstuffs, clothes or flowers may be subject to____; the other types of goods, such as narcotics are not _____ at all. ____of these regulations can result in severe _____.
- 4 As the importer or exporter it is your responsibility to fill in a _____ and present it to _____for _____. When you declare goods, you submit the necessary _____ to the Customs. The goods will not be _ until invoice, freight document, licenses, permits and other documents demanded by the Customs and have been presented.

5 Before you can sell or make use of the goods, you need ___
___ from the Customs, showing that customs duties and taxes
have been paid.

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