

International Trade & EU/UK Product Compliance Glossary

Key terms, roles, and regulations for importing goods into the EU and UK.

This reference is a general overview, not legal advice. Requirements vary by product category and change over time.

Additionally, since Brexit, the UK has fundamentally kept the EU's Customs Rules, albeit a lot of particulars are now changed and deviate from the EU's general practice. The terms below give an overwhelming idea of what Customs law allows but should be applied by a trained professional who will be able to adapt the advice to your business's particular circumstances.

1. International Trade: Core Terms

EORI Number (Economic Operators Registration and Identification) — A unique ID required for businesses trading with the EU or UK for customs purposes.

VAT Number - unique code used by tax authorities to track registered businesses for value-added tax purposes. In several regions (like the UK or parts of the EU), a company's EORI number is visually built by taking their country code and VAT number, often with a suffix like 000.

HS Code (Harmonized System Code) — Also known as a commodity code, is a standardized numerical code used worldwide to classify traded products for customs purposes; determines duty rates and regulatory requirements.

Customs Declaration — The formal statement of goods being imported/exported, submitted to customs authorities.

CDS - Customs Declaration Service: UK's active customs platform replacing CHIEF.

REX System - Registered Exporter System: EU scheme for self-certifying origin on commercial documents.

Import Control System 2 (ICS2) - The advance cargo information and security risk management system used before goods enter the EU territory.

Centralised Clearance for Import (CCI) - A digital system under the Union Customs Code that lets businesses submit import declarations in one member state while goods arrive in another.

Import One-Stop Shop (IOSS) - A digital VAT compliance portal for e-commerce and distance sales of low-value goods imported from outside the EU.

Future EU Data Hub - An upcoming centralized pan-European customs IT system (scheduled for voluntary use by 2031 and mandatory use by 2034) designed to replace over 111 separate national software systems.

Customs Value – Value used to calculate customs duties. This value is based on CIF – Costs of goods, Insurance and Freight costs up to the point of import.

Most-Favoured-Nation (MFN) treatment - Standard duty rates applied to imports from WTO members.

Tariff / Customs Duty / Import Duty — A tax imposed on imported (sometimes exported) goods, usually based on HS code classification and country of origin.

VAT (Value Added Tax) – indirect consumption tax charged at the point of sale of goods and/or services.

Import VAT — A consumption tax applied to imported goods at the point of entry, separate from customs duty. Import VAT is applied onto the Customs Value + Import Duties paid.

Postponed VAT Accounting - tax mechanism that allows VAT-registered businesses to avoid payment of import VAT. Businesses declare and immediately recover import VAT on their standard periodic VAT return, rather than paying it as physical cash at the customs border.

VAT return - standard tax form that businesses submit periodically (usually quarterly or monthly) to report their sales, purchases, and the amount of VAT they need to pay or reclaim from the tax authority.

Reverse Charge - accounting procedure where the buyer or recipient of a service or good accounts for and reports the VAT to the tax authority, instead of the supplier.

Excise Tax - inland indirect tax levied on the sale, manufacture, extraction, or importation of specific categories of consumer goods—most notably alcohol, tobacco, and energy products/fuels.

Tariff Quota — A limit on the quantity of a good that can be imported at a reduced tariff rate before higher rates apply.

Anti-Dumping Duty — An extra tariff imposed on imports priced below fair market value to protect domestic industry.

Non-Tariff Barrier (NTB) — Trade restrictions that aren't tariffs, such as quotas, licensing requirements, or technical standards.

Incoterms — Standardized international goods delivery/transport terms (e.g., FOB, CIF, DAP, DDP, EXW) published by the ICC that define who's responsible for shipping, insurance, and risk at each stage of a shipment.

Bill of Lading (B/L) — A legal document issued by a carrier acknowledging receipt of cargo and serving as a contract of carriage and title document.

Bill of Materials - a complete, structured list of all raw materials, components, parts, and quantities needed to build, manufacture, or repair a product.

SKU (Stock Keeping Unit) - is a unique alphanumeric code that businesses assign to individual product variants to track inventory and manage stock.

Commercial Invoice — The seller's invoice used by customs to assess value and duties.

Pro-forma Invoice - preliminary bill of sale sent to a buyer detailing the costs, quantities, and terms of a transaction before goods or services are delivered. Used in global shipping for customs declarations, applying for import licenses, or opening letters of credit.

Packing List — A shipment document detailing contents, weights, and dimensions of each package.

Letter of Credit (L/C) — A bank-issued payment guarantee used to reduce risk in international transactions between unfamiliar trading parties.

Import/Export Licenses or Permits - Required for restricted, regulated, or strategic goods such as dual-use technologies, cultural artifacts, or controlled substances.

Material Safety Data Sheet (MSDS) - Legally required for any goods classified as hazardous materials or dangerous goods to ensure safe handling and regulatory compliance during transport.

Sanitary & Phytosanitary Certificate - Mandatory for shipments involving plants, fresh produce, animals, or animal products to prove compliance with biosecurity and health regulations.

Free Trade Agreement (FTA) — A treaty between countries reducing or eliminating tariffs on qualifying goods.

Preferential Rules of Origin - criteria used to determine the "economic nationality" of a product so it can qualify for reduced or zero customs duty under a trade agreement.

Non-Preferential Rules of Origin - criteria used to determine the "economic nationality" of a product when no trade agreement or preferential tariff applies.

Certificate of Origin — An official document certifying the country where goods were manufactured, used to determine tariff treatment and eligibility for preferential treatment of the imported goods.

Statement of Origin - a self-declaration made by an exporter or producer on a commercial document—such as an invoice—stating that the goods meet the preferential rules of origin for a specific trade agreement.

Long-Term Supplier Declaration - commercial document used in the EU and the UK to prove the preferential or non-preferential origin of goods supplied regularly over an extended period, eliminating the need for individual statements/declarations for every single shipment.

Repayment or Remission - A refund of duties paid on imported goods that were not meant to be paid for a specific reason.

Free Trade Zone / Free Port — A designated area where goods can be imported, stored, or processed with reduced customs procedures or duties, generally organized around major seaports, international airports, and national frontiers.

Customs Special Procedure - regulatory facilitations that allow businesses to suspend, reduce, or eliminate import duties and VAT while storing, processing, repairing, or temporarily using goods.

Customs (Bonded) Warehouse — A customs special procedure that allows duty and VAT suspension on imported goods for storage at approved premises until release of those goods for free circulation or re-export.

Inward Processing Relief - A customs special procedure that allows duty and VAT suspension on imported goods for processing operations at approved premises until release of those goods for free circulation or re-export.

Outward Processing Relief - A customs special procedure that allows duty and VAT suspension on re-imported goods for processing in a third country.

Returned Goods Relief - customs mechanism that allows a business to re-import goods into the UK or EU without paying customs duty or import VAT, provided specific conditions are met.

Temporary Admission - customs special procedure that allows you to bring goods into the UK or EU without paying import duty or VAT, provided the items are brought in for a specific purpose, remain completely unaltered, and are eventually re-exported.

Dual-Use Items - goods, software, and technology designed for legitimate civilian applications that can also be repurposed for military use or the development of weapons of mass destruction.

Sanctions list - official register of individuals, companies, vessels, or countries targeted by legal and financial restrictions. Sanctions lists are issued by national governments, international organizations, and regulatory agencies to enforce foreign policy, security interests, and global compliance.

2. Players & Roles in International Trade

Consignor — The party sending goods out of the country of origin.

Consignee — The party receiving goods in the destination country, often responsible for customs clearance and duties.

Importer - The declarant or the (legal) person on whose behalf the customs declaration is submitted. This party is responsible for paying customs duties, import VAT, and excise, and ensuring product compliance.

Exporter - person established in the customs territory of the EU or the UK who has the power to determine that the goods are to be taken out of that territory. Exporters in third countries are subject to local legal definitions.

*For the purpose of the UK and the EU law, it is often a requirement to be established in those territories or have a VAT registration. Exact business circumstances must be reviewed to further understand the complexity thereof.

Business establishment - a fixed, physical location where a company or individual permanently conducts economic activities, makes central management decisions, and keeps its administrative resources.

Legal Entity - In the context of import processes, any legal or physical person, business, or organization involved in moving goods across international borders.

Parent Company - a business entity that owns a controlling interest in another company, giving it the legal authority to oversee operations, elect the board of directors, and make high-level strategic decisions.

Branch - an extension of a parent company that operates at a different location but does not have its own separate legal identity. A branch is a dependent extension of the main parent company, while a **subsidiary** is an independent legal entity owned by a parent company

Customs Representative - (often called a customs broker or customs agent) is a legal or physical person authorized to act on behalf of a business to handle customs formalities and clear goods through border controls. There are different types of Customs representation based on the business establishment of the representee.

Fiscal Representative - local entity or professional appointed by a non-EU or non-UK company to manage its VAT registration, reporting, and payment obligations within an EU member state.

Customs Broker/Agent — A licensed professional or firm that handles digital submission of import/export declarations and customs clearance on behalf of importers/exporters.

Freight Forwarder — An overwhelming term used for a company that arranges shipping logistics (sea, air, rail, road) on behalf of shippers, often coordinating multiple carriers, but also including Customs brokerage function whether outsourced or inhouse.

Carrier — The company physically transporting the goods (shipping line, airline, trucking company, rail operator).

Third-Party Logistics Provider (3PL) — An overwhelming term used for a company offering outsourced logistics services like warehousing, fulfilment, and distribution.

Customs Authority — The government agency (e.g., HMRC in the UK, national customs agencies in EU member states) enforcing import/export laws and collecting duties.

Insurer / Cargo Insurance Provider — Covers financial loss from damage, theft, or loss of goods in transit.

Bank / Trade Finance Provider — Facilitates payment mechanisms like letters of credit, trade credit insurance, or export financing.

Manufacturer — The entity producing the goods, often responsible for initial conformity assessments and technical documentation.

Distributor — A business that buys goods (often in bulk) and resells them within a market, sometimes holding compliance responsibilities if they're the first to place goods on a market.

Authorized Economic Operator (AEO) — A certified status (EU and UK) granted to trusted traders, allowing simplified customs procedures and fewer inspections.

EU standards fall into four main layers: **Horizontal Safety Rules**, **Substance & Chemical Rules**, **Sector-Specific Sector Directives**, and **Environmental & Sustainability Frameworks**.

1. General Safety & Horizontal Frameworks

General Product Safety Regulation (GPSR - EU 2023/988)

Replaced the old GPSD to cover all non-food consumer goods not governed by specific sector laws. Key requirements include:

- **EU Responsible Person:** GPSR requires a responsible economic operator established in the EU, but it does not mean that every non-EU manufacturer must itself appoint a particular type of entity. The responsible person can arise through the manufacturer, an authorised representative, an importer, or a fulfilment service provider, depending on the circumstances.
- **Traceability & Safety Warnings:** Explicit requirements for batch numbers, warnings, and instructions in the official language of each destination member state.

UK Analogue: UK GPSR requires general product safety, but lacks EU GPSR's explicit obligations for online marketplaces and mandatory non-EU Responsible Persons. UK General Product Safety Regulations 2005 remain the baseline. (Note: Under the Windsor Framework, EU GPSR applies directly in Northern Ireland since 13 December 2024).

Cyber Resilience Act (CRA)

Mandates "security by design," vulnerability reporting, Software Bill of Materials (SBOM), and security patch commitments for hardware and software products with digital elements.

UK Analogue: PSTI Act 2022 (Product Security and Telecommunications Infrastructure Act). In force since April 2024, PSTI mandates no default/weak passwords, vulnerability reporting, and published minimum support periods for consumer connectable devices. It is narrower in scope than CRA (CRA covers B2B software and broader digital hardware).

2. Chemical & Material Compliance

REACH (EC 1907/2006)

Applies to virtually **all physical items** (articles) sold in the EU:

- **SVHC (Substances of Very High Concern):** If an article contains >0.1% weight-by-weight of an SVHC (e.g., specific phthalates, heavy metals), importers must notify recipients and register in the ECHA SCIP database. SCIP duty can apply to EU producers, assemblers, importers and distributors/other supply-chain actors placing qualifying articles on the EU market. Regular retail stores, local shops, and online sellers that provide products directly and exclusively to final consumers do not need to file SCIP notifications.
- **Annex XVII Restrictions:** Total bans or maximum thresholds on specific chemicals in consumer goods (e.g., lead in jewellery, nickel in wearables, specific PFAS/substances and specified uses).

UK Analogue: UK REACH. Applies independently to Great Britain. Companies placing chemicals/articles on the GB market must comply with UK REACH registrations, SVHC Candidate Lists, and GB Annex 17 restrictions managed by the UK Health and Safety Executive (HSE). The ECHA SCIP database does not apply to GB - UK REACH has its own Candidate List and regulatory processes

CLP Regulation (EC 1272/2008)

Applies to chemicals, mixtures, and cleaning agents, governing mandatory hazard classification, pictogram labelling, and safety data sheets (SDS).

UK Analogue: GB CLP Regulation. Mirrors classification and labeling principles, but is governed independently by the UK HSE with a separate Mandatory Classification and Labelling (GB MCL) list.

3. Sector-Specific Regulations & CE Marking

- **CE (Conformité Européenne)** — The core marking showing a product meets EU health, safety, and environmental requirements. Required for most non-food manufactured goods (electronics, toys, machinery, PPE, etc.) sold in the EU/EEA.
- **UKCA (UK Conformity Assessed)** — The UK's post-Brexit equivalent of CE marking, required for most goods placed on the Great Britain market. CE marking is still accepted for many product categories, and enforcement deadlines have shifted repeatedly — verify current status before relying on either mark alone.

Products requiring a **CE Mark** must have a completed **Technical File**, a **EU Declaration of Conformity (DoC)**, and, where mandated, testing by a third-party. The precise procedure varies considerably by legislation and product category.

**CE marking is recognised indefinitely in GB for many product sectors under the current UK recognition regime, but it is subject to sector-specific exceptions and transitional arrangements. All information below is for a broad high-level understanding of the existing legislation rather than legal advice. All information should be contextualised based on the specific circumstances of each product/business.*

Sector / Product Type	Governing EU Directive / Regulation	EU Core Requirements	Direct UK Equivalent Regulation	Key UK Differences & Notes
Low-Voltage Electronics	Low Voltage Directive (LVD 2014/35/EU)	Electrical safety for equipment operating between 50–1000V AC / 75–1500V DC.	Electrical Equipment (Safety) Regulations 2016	Retained legacy framework; CE marking continues to be accepted *indefinitely on the GB market.
Electromagnetic Goods	EMC Directive (2014/30/EU)	Products must not create or succumb to excessive electromagnetic interference.	Electromagnetic Compatibility Regulations 2016	Retained legacy framework; CE marking accepted *indefinitely in Great Britain.
Hazardous Substances (Electronics)	RoHS Directive (2011/65/EU)	Restricts 10 substances (lead, mercury, cadmium, specific phthalates) in electronics.	Restriction of Hazardous Substances Regulations 2012	Retained legacy framework; GB maintains its own independent hazardous substance list and exemptions.
Radio Equipment	Radio Equipment Directive (RED 2014/53/EU)	Rules for Wi-Fi, Bluetooth, or cellular goods; mandates USB-C common charging ports for handheld electronics and laptops.	Radio Equipment Regulations 2017	No mandatory USB-C rule: Unlike the EU RED USB-C mandate, the UK has not formally mandated universal chargers.

Toys & Children's Goods	Toy Safety Directive (2009/48/EC)	Strict mechanical, physical, flammability, and chemical testing (EN 71 family) for ages <14.	Toys (Safety) Regulations 2011	Uses UK Designated Standards (currently aligned with the EN 71 family).
Personal Protective Equipment	PPE Regulation (EU 2016/425)	Covers eyewear, gloves, masks, and helmets; requires Notified Body certification for Category II & III.	Personal Protective Equipment Regulations (as amended)	Category II & III PPE using UKCA marking require certification from a UK Approved Body (rather than an EU Notified Body).
Medical Devices	MDR (EU 2017/745) / IVDR (EU 2017/746)	Clinical evaluation, strict quality control (ISO 13485), and mandatory registration in EUDAMED for specific modules.	UK Medical Devices Regulations 2002 (UK MDR)	Managed by the MHRA. The UK still accepts CE-marked medical devices under phased transitional arrangements. Current transitional dates include 30 June 2028 or 30 June 2030 depending on the device/regulatory route.
Machinery & Equipment	Machinery Regulation (EU 2023/1230)	Modernized safety mechanisms, risk assessment files, and emergency shutoff standards.	Supply of Machinery (Safety) Regulations 2008	Retained legacy framework; the UK has not adopted the new EU Machinery Regulation (EU 2023/1230).
Cosmetics & Personal Care	Cosmetics Regulation (EC 1223/2009)	Requires a Safety Assessment (CPSR), Product Information File (PIF), and CPNP portal notification.	UK Cosmetics Regulation	Requires product registration on the domestic GB SCPN (Submit Cosmetic Product Notification) portal instead of the EU CPNP.

Food Contact Materials (FCM)	Regulation (EC 1935/2004)	FCMs must carry the "glass and fork" symbol, present no migration risk, and provide a Declaration of Compliance.	Materials and Articles in Contact with Food Regulations	Governed by the UK Food Standards Agency (FSA). "Glass & fork" symbol is widely recognized, but GB rules govern specific migration limits.
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4. Sustainability, Circularity & Environmental Rules

- **Ecodesign for Sustainable Products Regulation (ESPR):** Mandates minimum durability, repairability, and recycled content benchmarks across various non-food sectors.
- **Digital Product Passport (DPP):** Introduced progressively for specific product groups. Standardized QR codes carrying material composition, repairability index, and supply chain data (rolling out for batteries, textiles, and electronics).
- **EU Deforestation Regulation (EUDR - 2023/1115):** Prohibits importing target commodities (**cattle, cocoa, coffee, oil palm, rubber, soya, wood**) unless proven "deforestation-free" using precise GPS geolocations. The consolidated regulation gives 30 December 2026 for the main application date and 30 June 2027 for certain operators.
- **Carbon Border Adjustment Mechanism (CBAM):** Carbon-import reporting and tariffs on energy-intensive sectors: **iron & steel, aluminium, cement, fertilizers, hydrogen, and electricity**.
- **Extended Producer Responsibility (EPR):** Importers must register with national compliance schemes and pay end-of-life recycling fees for:
 - **WEEE:** Waste Electrical and Electronic Equipment.
 - **Batteries:** Mandatory carbon footprint thresholds and Battery Passport QR codes under EU 2023/1542 - for relevant battery categories from 18 February 2027.
 - **Packaging & Packaging Waste Regulation (PPWR):** Recyclability tiers, registration and representation requirements. Will be phased in up until 2040-2050.
- **Corporate Sustainability Due Diligence Directive (CSDDD / CS3D) -** Requires very large companies (at least 5,000 employees and €1.5 billion net worldwide turnover) operating in the EU to identify, prevent, and mitigate human rights and environmental harms across their global supply chains.

- **Corporate Sustainability Reporting Directive (CSRD)** - Mandates detailed reporting on climate risks, emissions, and environmental impact (under a "double materiality" framework that looks at both how climate affects the company and how the company impacts the planet). Applicable to businesses of more than €450 million net turnover and an average of 1,000 employees.

UK Analogue: The UK handles sustainability through distinct parallel frameworks rather than adopting EUDR, ESPR, or CSRD:

- **Deforestation:** Governed by the **UK Forest Risk Commodity (UKFRC)** provisions under the **Environment Act 2021**, which restricts commodities linked to *illegal* deforestation (unlike EUDR's broader scope covering all deforestation).
- **Carbon Imports:** The **UK CBAM** applies import carbon tax on embodied emissions across carbon-intensive sectors. The UK CBAM starts on 1 January 2027 and initially covers: aluminium, cement, fertiliser, hydrogen, iron and steel.
- **EPR & Packaging:** Administered via the **UK WEEE Regulations**, **UK Waste Batteries Regulations**, and the **UK Packaging Waste EPR scheme** (using PRNs/PERNs).
- **Corporate Due Diligence & Reporting:** Climate reporting for large UK entities is driven by mandatory **TCFD-aligned financial disclosures** and **Streamlined Energy and Carbon Reporting (SECR)** rather than CSRD double-materiality rules. Continuous amendments to this framework take place.

5. Agricultural, Food & Sanitary Standards

- **General Food Law (EC 178/2002):** Requires food businesses to maintain traceability through the supply chain on a "one step back, one step forward" basis, identifying the immediate supplier and, where applicable, the immediate business customer. Businesses must also be able to identify food sufficiently to support withdrawal/recall procedures.
- **Official Controls Regulation (EU 2017/625):** Establishes official controls and border-control procedures for animals, products of animal origin, plants, plant products and other regulated commodities. The nature and frequency of documentary, identity and physical checks depend on the applicable EU rules and risk-based requirements.
- **Novel Food Regulation (EU 2015/2283):** Novel foods (i.e. engineered or non-traditional items) generally require pre-market authorisation in the EU following a safety assessment before they can be placed on the EU market.

UK Analogue: Great Britain operates under its own domestic food-law and official-controls framework. Food and feed imports are subject to the applicable UK import controls, including SPS requirements under the Border Target Operating Model (BTOM).

Novel foods placed on the GB market require GB authorisation under the applicable novel-food regime, following the relevant safety assessment process involving the Food Standards Agency (FSA) or Food Standards Scotland (FSS), as applicable. GB broadly retains EU standards, although post-Brexit regulations have diverged in certain areas, though a planned UK-EU sanitary and phytosanitary (SPS) agreement aims to dynamically realign rules by mid-2027.

6. CITES & Wildlife Trade Regulations

CITES (Convention on International Trade in Endangered Species) - agreement between 185 parties designed to ensure that cross-border trade. Common examples of potentially CITES-controlled products include items containing listed reptile skins, certain listed timber species such as some rosewoods, and other products containing parts or derivatives of CITES-listed species. Whether a particular product requires CITES documentation depends on the species, specimen/product, CITES listing and applicable exemption or permit requirements.

If you import, export or re-export specimens of species covered by the EU Wildlife Trade Regulations, including relevant parts and derivatives, you must comply with the applicable EU wildlife-trade controls. Depending on the species, specimen and transaction, this may require permits, certificates, documentation or other restrictions.

UK Analogue:

In Great Britain, CITES is implemented through the Control of Trade in Endangered Species Regulations and the UK Wildlife Trade Regulations, managed principally by APHA (Animal and Plant Health Agency). CITES-listed specimens moving between Great Britain and the EU generally require the appropriate UK and EU CITES documentation, with the exact requirements depending on the species, specimen, direction of movement and transaction type. Great Britain is treated as a third country for EU wildlife-trade purposes.

7. Sanctions and Dual-Use Export Controls

Dual-Use Goods & Export Controls

- **EU Dual-Use Regulation (EU 2021/821):** Governs export, transit, brokering, and technical assistance for civil items with potential military applications. Depending on the item, destination, end-use and circumstances, exports may require an individual, global or general authorisation from the relevant competent authority.

UK Analogue: The UK operates its own Strategic Export Control List and licensing regime, administered by the Export Control Joint Unit (ECJU). Exports of controlled dual-use items from Great Britain to EU Member States may be authorised under applicable UK individual, general or open general export licences, depending on the circumstances. EU import/export requirements must also be assessed separately.

Sanctions & Financial Restrictions

- **EU Financial & Trade Sanctions (CFSP framework / Article 215 TFEU):** EU restrictive measures may include asset freezes, travel restrictions, financial restrictions, trade restrictions, sectoral measures and anti-circumvention obligations. EU sanctions are established at EU level, while enforcement and implementation are carried out by the competent authorities of the Member States.

UK Analogue: The UK operates an independent sanctions framework under the Sanctions and Anti-Money Laundering Act 2018 and individual sanctions regulations. Financial sanctions are administered principally by OFSI, while sanctions policy and implementation also involve the FCDO and other competent authorities. UK sanctions may differ from EU sanctions in scope, listings, licensing grounds and ownership/control rules.