



## CUSMA – Your Questions Answered

(Updated - 26 June 2020)

CUSMA = Canada-United States-Mexico Agreement

[Text of the Agreement](#)

### IMPLEMENTATION

#### 1. When will CUSMA be implemented?

CUSMA will be implemented on July 1, 2020. One of the CUSMA tariff treatments may be used for eligible goods released on and after this date. See Question 8 under ORIGIN, for additional information on the CUSMA tariff treatments.

### ORIGIN

#### 1. Will goods that originate under the NAFTA originate under the CUSMA?

It is possible that they will; however, you must review the CUSMA specific rules of origin in order to determine if the goods originate under the new agreement. See Question 9, under ORIGIN, for additional information on the CUSMA origin criteria.

Question 2 updated June 26, 2020. Response formerly read: valued at \$3300.00 and more

#### 2. Is a Certificate of Origin required for goods that originate under the CUSMA?

For goods that are valued at more than \$3300.00, a Certificate of Origin is not required. However, as is the case with many of the recent trade agreements, what is required is certification of origin. This certification can be included on any document and, like the NAFTA Certificate of Origin, is not required to be presented at time of release.

#### 3. What must be included on the certification of origin?

See Annex A of this document.

#### 4. Who can complete a CUSMA certification of origin?

The certification of origin can be completed by the exporter, producer, or importer of the goods.

#### 5. Is there a set of parameters published that lists the circumstances where an importer can sign a CUSMA certification?

The importer may sign the CUSMA certification of origin based on information, including documents, that demonstrate that the good is originating.

#### 6. The new LVS threshold is \$3300 and less. Is a statement/certification of origin required for these goods?

The LVS threshold applies to all goods and the new threshold applies on and after July 1. However, for originating goods valued at \$3300 and less that are from a country with which Canada has a Free Trade Agreement, there is no requirement to provide a statement or certification of origin. However, goods must originate before using a preferential tariff treatment for these goods.

**7. Where the certification of origin is not required for LVS shipments, would a simple “made in” marking be acceptable to apply preferential treatment?**

For casual goods, the origin can be based on the marking of the goods. For commercial goods, keep in mind that in the case of an audit, CBSA may ask for proof of origin. If there is uncertainty whether goods originate, even if they are marked "made in", it would be prudent to confirm the origin of the goods with your client.

**8. What tariff treatment codes apply to goods that originate under the CUSMA?**

There are two tariff treatment codes that apply to goods imported into Canada: 10 is for goods that originate in the US and 11 is for goods that originate in Mexico. There is no longer a tariff treatment code for goods that are the product of both the US and Mexico.

**9. How many origin criteria are there for goods that originate under the CUSMA?**

There are four, based on the origin of the goods according to [Article 4.2 of the Agreement](#).

Any of the following notations are acceptable on the certification of origin: A, 4.2(a), B, 4.2(b), C, 4.2(c), D, or 4.2(d). CBSA has advised that they are flexible with respect to what is included in this field.

**10. Are TPL Certificates of Eligibility required for goods that originate under the CUSMA?**

Global Affairs Canada have advised that the implementation of the CUSMA will not make any changes to requirements for TPL Certificates of Eligibility for imported goods. That is, information in D11-4-22 continues to be correct and certificates of eligibility for TPL goods are not required for goods imported into Canada from the US. However, they are required for goods from Mexico.

**11. Can the importer field on a certification of origin be left blank? This would be helpful in the case of a blanket certification.**

The importer field cannot be left blank. Where the importer in Canada is unknown, the term “unknown” can be used for data element 5 of the certification of origin. Where a blanket certification of origin is applicable to a large number of importers, you could state “see attached list” and the exporter will need to provide a list of all known importers. The same policy applied under the NAFTA.

If this question pertains to non-resident importers (NRI), the CBSA will accept the NRI’s full legal name, the address in Canada where the goods are imported (i.e. a leased warehouse), with the NRI’s email and phone number.

**12. If goods are entered at the MFN duty rate but later found to originate under the CUSMA, is a refund allowed?**

Yes. B2s to change the tariff treatment to a CUSMA tariff treatment in the case of a refund can be filed under Section 74(c)(ii) of the Customs Act. The time frame to file a claim is **four years** from the date of accounting.

Question 13 added June 26, 2020

**13. Under the CUSMA, are there any changes to the drawback provision? Is it safe to assume that D7-4-3 will be updated to replace the word “NAFTA” with “CUSMA”?**

There are no changes to existing drawback conditions or processes due to CUSMA. CBSA will be updating NAFTA references in all D-Memos in the coming weeks.

Question 14 added June 26 2020

**14. Does the CUSMA include the lesser of two duties rule for drawback?**

Yes. The lesser of two duties concept is contained in Article 2.5: Drawback and Duty Deferral Programs of the Agreement. The rules remain the same as they were under NAFTA.

**CIRO/DE MINIMIS**

**1. How are goods from the US and Mexico treated under the Courier Imports Remission Order (CIRO)?**

See Annex B of this document.

**2. Will CBSA be updating D11-4-32 *Application of the De Minimis Provision to Textile and Apparel Goods under the North American Free Trade Agreement (NAFTA)*, for CUSMA?**

CBSA will not be updating this D memo. In addition to the provisions contained in the Textile and Apparel Goods Chapter of the CUSMA, de minimis provisions are also included in the CUSMA Rules of Origin Uniform Regulations. Link to regulations will be provided when available.

Question 3 added June 26, 2020

**3. Does the Courier Imports Remission Order provide relief from duties imposed under the Special Import Measures Act (SIMA)?**

It does not. Duty under the SIMA is not considered “Customs Duty”.

## Certification of Origin Data Elements, Annex 5-A

### 1. Importer, Exporter, or Producer Certification of Origin

*Indicate whether the certifier is the exporter, producer, or importer in accordance with Article 5.2 (Claims for Preferential Tariff Treatment).*

### 2. Certifier

*Provide the certifier's name, title, address (including country), telephone number, and email address.*

### 3. Exporter

*Provide the exporter's name, address (including country), e-mail address, and telephone number if different from the certifier. This information is not required if the producer is completing the certification of origin and does not know the identity of the exporter. The address of the exporter shall be the place of export of the good in a Party's territory.*

### 4. Producer

*Provide the producer's name, address (including country), e-mail address, and telephone number, if different from the certifier or exporter or, if there are multiple producers, state "Various" or provide a list of producers. A person that wishes for this information to remain confidential may state "Available upon request by the importing authorities". The address of a producer shall be the place of production of the good in a Party's territory.*

### 5. Importer

*Provide, if known, the importer's name, address, e-mail address, and telephone number. The address of the importer shall be in a Party's territory.*

### 6. Description and HS Tariff Classification of the Good

- (a) Provide a description of the good and the HS tariff classification of the good to the 6-digit level. The description should be sufficient to relate it to the good covered by the certification; and
- (b) If the certification of origin covers a single shipment of a good, indicate, if known, the invoice number related to the exportation.

### 7. Origin Criteria

*Specify the origin criteria under which the good qualifies, as set out in Article 4.2 (Originating Goods).*

### 8. Blanket Period

*Include the period if the certification covers multiple shipments of identical goods for a specified period of up to 12 months as set out in Article 5.2 (Claims for Preferential Tariff Treatment).*

### 9. Authorized Signature and Date

*The certification must be signed and dated by the certifier and accompanied by the following statement:*

I certify that the goods described in this document qualify as originating and the information contained in this document is true and accurate. I assume responsibility for proving such representations and agree to maintain and present upon request or to make available during a verification visit, documentation necessary to support this certification.

## De Minimis After the Implementation of CUSMA

Under the [Courier Imports Remission Order](#), the following applies:

- The order does not apply to goods sent by mail/post.
- Definition of courier for the purpose of the remission order: courier means a commercial carrier that is engaged in scheduled international transportation of shipments of goods other than goods imported by mail.
- The following are excluded: tobacco, alcohol, cannabis, goods of heading 9816, newspapers and periodicals under certain conditions.
- Goods shipped from the US or Mexico do not have to originate in the US or Mexico but if they do originate outside of the US or Mexico, they must have been entered into the commerce of the US or Mexico.
- Orders cannot be divided so that each does not exceed \$20/\$40.
- CUSMA is not introducing any changes to current OGD goods processing rules.

## Goods Imported From a Country Other than the US or Mexico

<p>Goods with a value for duty of CAD\$20 or less from any country <b>other than the United States or Mexico</b>.</p>	<p>Goods with a value for duty CAD\$20.01 or greater that are imported from any country <b>other than the United States or Mexico</b>.</p>
<p><b>Release:</b></p> <p><b>CLVS participant:</b> cargo release sheet; 85-2955 applies</p> <p><b>Non-CLVS participant:</b> CCD or other reporting document</p> <p>CCD or other document must include:</p> <ul style="list-style-type: none"> <li>• the carrier code of the courier that is transporting the goods into Canada;</li> <li>• the place of export from which the goods were transported;</li> <li>• a description of goods that ensures the eligibility of the goods;</li> <li>• a value for duty of the goods at CAD\$0 to \$20.00; and</li> <li>• CIRO Order in Council number 85-2955.</li> </ul> <p>Goods regulated by another government department or agency that are eligible under CIRO require a separate Release on Minimum Document interim accounting or a final accounting package (including the required permits, licenses or certificates for each shipment if required) at the time of release.</p>	<p><b>Release:</b></p> <p>No change from current processes</p>
<p><b>Accounting:</b></p> <p>None required; except for goods regulated by another government department or agency that are eligible under CIRO. See above.</p>	<p><b>Accounting:</b></p> <p>No change from current processes</p>

**Goods imported from the US or Mexico. If not of US or Mexican origin, the goods must have been entered into the commerce of the US or Mexico**

For goods that are not of US or Mexico origin but have been entered into the commerce of the US or Mexico, the accounting document must indicate the actual country of origin and tariff treatment.

<p>Goods with a value for duty of CAD\$40 or less imported <b>from the United States or Mexico only.</b></p>	<p>Goods with a value for duty of CAD\$40.01 or greater, up to and including CAD\$150.00, imported from <b>the United States or Mexico only.</b></p>
<p><b>Release:</b></p> <p><b>CLVS participant:</b> cargo release sheet; 85-2955 applies</p> <p><b>Non-CLVS participant:</b> CCD or other reporting document</p> <p>CCD or other document must include:</p> <ul style="list-style-type: none"> <li>• the carrier code of the courier that is transporting the goods into Canada;</li> <li>• the place of export in the United States or Mexico from which the goods were transported;</li> <li>• a description of goods that ensures the eligibility of the goods;</li> <li>• a value for duty of the goods at CAD\$0 to \$40.00; and</li> <li>• the CIRO Order in Council number 85-2955.</li> </ul> <p>Goods regulated by another government department or agency that are eligible under CIRO require a separate Release on Minimum Document interim accounting or a final accounting package (including the required permits, licenses or certificates for each shipment if required) at the time of release.</p>	<p><b>Release:</b></p> <p><b>CLVS participant:</b> cargo release sheet/consist sheet</p> <p><b>Non-CLVS participant:</b> ACI (cargo and conveyance) and release on minimum documentation (RMD) required if opting to use Release Prior to Payment Privileges (RPPP).</p>
<p><b>Accounting:</b> None required; except for goods regulated by another government department or agency that are eligible under CIRO. See above.</p> <p>For goods that are not of US or Mexico origin but have been entered into the commerce of the US or Mexico, the accounting document must indicate the actual country of origin and tariff treatment.</p>	<p><b>Accounting:</b> Accounting required. Regardless of the tariff treatment used, for eligible goods, tariff code 0017 relieves the duty; tax is payable.</p> <p>For goods that are not of US or Mexico origin but have been entered into the commerce of the US or Mexico, the accounting document must indicate the actual country of origin and tariff treatment.</p> <p><b>For CLVS Participants,</b> these goods can be included on an F type entry as a separate line from those not using tariff code 0017. Changes in subheader must be indicated on a new page.</p>