

CUSMA – Your Questions Answered

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.

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

For goods that are valued at \$3300.00 and more, 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. Who can complete a CUSMA certification of origin?

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

4. 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.

5. 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.

6. 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.

7. 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.

8. 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.

9. 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.



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United States Mexico Canada Agreement – USMCA

CERTIFICATION OF ORIGIN

1. CERTIFIER NAME AND ADDRESS

TELEPHONE

EMAIL

TAX ID NUMBER

2. EXPORTER NAME AND ADDRESS

TELEPHONE

EMAIL

TAX ID NUMBER

3. PRODUCER NAME AND ADDRESS

TELEPHONE

EMAIL

TAX ID NUMBER

4. IMPORTER NAME AND ADDRESS:

TELEPHONE

EMAIL

TAX ID NUMBER

5. DESCRIPTION
OF GOOD(S)

6. HS TARIFF
CLASSIFICATION

7. ORIGIN
CRITERION

8. COUNTRY
OF ORIGIN

9. BLANKET PERIOD
(MM/DD/YY)

FROM

TO

10. 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. This certification consists of _____ page(s), including all attachments.

CERTIFIER'S SIGNATURE

COMPANY NAME

CERTIFIER'S NAME (PRINT OR TYPE)

CERTIFIER'S TITLE

DATE (MM/DD/YY)

CERTIFIER TYPE (IMPORTER, EXPORTER, PRODUCER)



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USMCA – Certification of Origin Form

CONTINUATION SHEET

1. EXPORTER'S NAME

2. BLANKET PERIOD (MM/DD/YY)

FROM

TO

3. PRODUCER'S NAME

4. IMPORTER'S NAME

5. DESCRIPTION OF GOOD(S)

6. HS TARIFF
CLASSIFICATION

7. ORIGIN CRITERION

8. COUNTRY OF ORIGIN

This continuation sheet is to be considered part of the USMCA Certification of Origin and the signed certification on page 1 applies to statements made on this sheet.

United States Mexico Canada Agreement – USMCA

CERTIFICATION OF ORIGIN INSTRUCTIONS

For purposes of obtaining preferential tariff treatment, this document must be completed legibly and in full, and be in the possession of the importer at the time the declaration is made. This document may be completed by the importer, exporter, or producer.

- FIELD 1:** Provide the certifier's legal name, address (including country), telephone number, and e-mail address.
- FIELD 2:** 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.
- FIELD 3:** 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.
- FIELD 4:** 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.
- FIELD 5:** Provide a full description of each good. The description should be sufficient to relate it to the invoice description and to the Harmonized System (HS) description of the good. If the Certificate covers a single shipment of a good, include the invoice number as shown on the commercial invoice. If not known, indicate another unique reference number, such as the shipping order number.
- FIELD 6:** For each good described in Field 5, identify the HS tariff classification to the 6-digit level.
- FIELD 7:** For each good described in Field 5, state which Origin Criteria (A through D) is applicable. The rules of origin are contained in Article 4.2. Note: In order to be entitled to preferential tariff treatment, each good must meet at least one of the criteria below.

ORIGIN CRITERIA

- A** Wholly obtained or produced entirely in the territory of one or more of the Parties, as defined in Article 4.3 (Wholly Obtained or Produced Goods)
- B** Produced entirely in the territory of one or more of the Parties using non-originating materials provided the good satisfies all applicable requirements of Annex 4-B (Product-Specific Rules of Origin)
- C** Produced entirely in the territory of one or more of the Parties exclusively from originating materials
- D** "Except for a good provided for in Chapter 61 to 63 of the Harmonized System:
 - (i) produced entirely in the territory of one or more of the Parties;
 - (ii) one or more of the non-originating materials provided for as parts under the Harmonized System used in the production of the good cannot satisfy the requirements set out in Annex 4-B (Product-Specific Rules of Origin) because both the good and its materials are classified in the same subheading or same heading that is not further subdivided into subheadings or, the good was imported into the territory of a Party in an unassembled or a disassembled form but was classified as an assembled good pursuant to rule 2(a) of the General Rules of Interpretation of the Harmonized System; and
 - (iii) the regional value content of the good, determined in accordance with Article 4.5 (Regional Value Content), is not less than 60 percent if the transaction value method is used, or not less than 50 percent if the net cost method is used"

- FIELD 8:** Identify the country of origin of the good (CA, US, or MX)
- FIELD 9:** Include the blanket 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 Treatment).
- FIELD 10:** Indicate whether the certifier is the exporter, producer, or importer in accordance with Article 5.2 (Claims for Preferential Treatment).

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.*