



Ottawa, April 15, 2014

Memorandum D11-4-13

Rules of Origin for Casual Goods Under Free Trade Agreements

In Brief

1. This memorandum has been revised to reflect the implementation of the Canada-Peru Free Trade Agreement (CPFTA), the Canada-Colombia Free Trade Agreement (CCOFTA) and the Canada-European Free Trade Association Free Trade Agreement (CEFTA). Changes have been made to the “Guidelines and General Information” to provide policy and procedural information related to the administration of these free trade agreements.
2. The editing revisions made in this memorandum do not affect or change any of the existing policies or procedures.

Rules of origin for casual goods regulations are used to determine the entitlement of casual goods to preferential tariff treatment under the North American Free Trade Agreement (NAFTA), the Canada-Israel Free Trade Agreement (CIFTA), the Canada-Chile Free Trade Agreement (CCFTA), the Canada-Costa Rica Free Trade Agreement (CCRFTA), the Canada-Peru Free Trade Agreement (CPFTA), the Canada-Colombia Free Trade Agreement (CCOFTA) and the Canada-European Free Trade Association Free Trade Agreement (CEFTA). There are separate regulations for each of these seven agreements.

This memorandum contains guidelines respecting the administration of these regulations.

Legislation

[Customs Act](#)

[NAFTA Rules of Origin for Casual Goods Regulations](#)

[CIFTA Rules of Origin for Casual Goods Regulations](#)

[CCFTA Rules of Origin for Casual Goods Regulations](#)

[CCRFTA Rules of Origin for Casual Goods Regulations](#)

[CPFTA Rules of Origin for Casual Goods Regulations](#)

[CCOFTA Rules of Origin for Casual Goods Regulations](#)

[CEFTA Rules of Origin for Casual Goods Regulations](#)

[Proof of Origin of Imported Goods Regulations](#)

Guidelines and General Information

1. For the purpose of this memorandum, the term “Regulations” shall mean a reference to the [NAFTA Rules of Origin for Casual Goods Regulations](#), the [CIFTA Rules of Origin for Casual Goods Regulations](#), the [CCFTA Rules of Origin for Casual Goods Regulations](#), the [CCRFTA Rules of Origin for Casual Goods Regulations](#), the [CPFTA Rules of Origin for Casual Goods Regulations](#), the [CCOFTA Rules of Origin for Casual Goods Regulations](#) and the [CEFTA Rules of Origin for Casual Goods Regulations](#).
2. For the purpose of the NAFTA, CIFTA, CCFTA, CCRFTA, CPFTA, CCOFTA and CEFTA “Regulations”, casual goods may be goods accompanying an importer or traveler arriving in Canada, or they may be parcels

addressed to individual recipients in Canada, provided they meet the definition of casual goods set out in the “Regulations”; i.e., the goods are not intended for sale or for any industrial, occupational, commercial, institutional, or other like use.

3. Casual goods, as defined in the NAFTA, CIFTA, CCFTA, CCRFTA, CPFTA, CCOFTA and CEFTA “Regulations”, are deemed originating for the purpose of any one of these agreements where:

(a) the goods are marked as originating in Canada;

(b) the goods are originating in another country that is a party to that agreement, and the marking is in accordance with the marking legislation of that other party; or

(c) the goods have no country of origin marking but there is no evidence that the goods are the product of a country which is not a party to the agreement in question.

4. In addition, under NAFTA, casual goods acquired in the United States are eligible for the Mexico tariff treatment if they are marked so as to indicate that they are a product of Mexico and they are marked in accordance with U.S. marking legislation. Similarly, casual goods acquired in Mexico are eligible for the United States tariff treatment if they are marked so as to indicate that they are a product of the United States and they are marked in accordance with Mexican marking legislation.

5. To be eligible for preferential tariff treatment under CIFTA, casual goods acquired in Israel must enter Canada, or be shipped to Canada, from the territory of Israel as defined in CIFTA. To be eligible for preferential tariff treatment under CCFTA, casual goods acquired in Chile must enter Canada, or be shipped to Canada, from the territory of Chile as defined in CCFTA. To be eligible for preferential tariff treatment under CCRFTA, casual goods acquired in Costa Rica must enter Canada, or be shipped to Canada, from the territory of Costa Rica as defined in CCRFTA. To be eligible for preferential tariff treatment under CPFTA, casual goods acquired in Peru must enter Canada, or be shipped to Canada, from the territory of Peru as defined in CPFTA. To be eligible for preferential tariff treatment under CCOFTA, casual goods acquired in Colombia must enter Canada, or be shipped to Canada, from the territory of Colombia as defined in CCOFTA. To be eligible for preferential tariff treatment under CEFTA, casual goods acquired in a European Free Trade Association (EFTA) country including Iceland, Liechtenstein, Norway or Switzerland must enter Canada, or be shipped to Canada, from the territory of one of these EFTA countries as defined in CEFTA.

6. Marking imported goods in a deceptive manner, or altering or removing marks, so as to mislead another person as to the country of origin, is considered an offence under paragraph 153(c) of the [Customs Act](#) (the Act). This paragraph prohibits any action that evades or attempts to evade the payment of duties. An offence under section 153 of the Act is subject to sanctions under section 160 of the Act.

7. For purposes of NAFTA, CIFTA, CCFTA, CCRFTA, CPFTA, CCOFTA and CEFTA, the [Proof of Origin of Imported Goods Regulations](#) exempts importers of casual goods from the requirement to present a certificate of origin for the goods or to make a declaration of origin attesting to possession of a certificate.

Additional Information

8. For more information, within Canada call the Border Information Service at **1-800-461-9999**. From outside Canada call 204-983-3500 or 506-636-5064. Long distance charges will apply. Agents are available Monday to Friday (08:00 – 16:00 local time/except holidays). TTY is also available within Canada: **1-866-335-3237**.

References	
Issuing Office	Trade and Anti-dumping Programs Directorate
Headquarters File	4571-11-2
Legislative References	<u>Customs Act</u> <u>NAFTA Rules of Origin for Casual Goods Regulations</u> <u>CIFTA Rules of Origin for Casual Goods Regulations</u> <u>CCFTA Rules of Origin for Casual Goods Regulations</u> <u>CCRFTA Rules of Origin for Casual Goods Regulations</u> <u>CPFTA Rules of Origin for Casual Goods Regulations</u> <u>CCOFTA Rules of Origin for Casual Goods Regulations</u> <u>CEFTA Rules of Origin for Casual Goods Regulations</u> <u>Proof of Origin of Imported Goods Regulations</u>
Other References	
Superseded Memorandum D	D11-4-13 dated November 18, 2004