



# Memorandum D11-4-13

Ottawa, May 19, 2021

## Rules of Origin for Casual Goods Under Free Trade Agreements

### In Brief

1. This memorandum is part of an overall revision of the D Memoranda series to reflect the implementation of the following trade agreements:

[Canada-Honduras Free Trade Agreement \(CHFTA\)](#)

[Canada-Korea Free Trade Agreement \(CKFTA\)](#)

[Canada-European Union Comprehensive Economic and Trade Agreement \(CETA\)](#)

[Comprehensive and Progressive Agreement for Trans-Pacific Partnership \(CPTPP\)](#)

[Canada-United States-Mexico Agreement \(CUSMA\)](#)

[Canada – United Kingdom Trade Continuity Agreement \(CUKTCA\)](#)

2. The “Guidelines and General Information” contained herein provide policy and procedural information related to the administration of these free trade agreements (FTAs).

3. Please note that the amendments to the *Proof of Origin of Imported Goods Regulations* to support the implementation of the above FTAs, were announced via Customs Notices. The existing *Proof of Origin of Imported Goods Regulations*, currently on the Justice Canada website, will reflect these amendments when published in Part II of the Canada Gazette. The effective date of the regulatory amendments and new regulations will be made retroactive to the date of coming into force of the FTA in accordance with paragraph 167.1(b) of the *Customs Act* and are as outlined in the relevant Customs Notices listed below:

[Customs Notice 14-023](#) Proposed Regulatory Amendments and Proposed New Regulations Related to the Implementation of the Canada-Honduras Free Trade Agreement

[Customs Notice 14-033](#) Proposed Regulatory Amendments and Proposed New Regulations Related to the Implementation of the Canada-Korea Free Trade Agreement

[Customs Notice 17-29](#) Proposed Regulatory Amendments and Proposed New Regulations Related to the Implementation of the Canada-European Union Comprehensive Economic and Trade Agreement (CETA)

[Customs Notice 18-27](#) Regulatory Amendments and New Regulations Related to the Implementation of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

[Customs Notice 20-22](#) The Canada - United States - Mexico Agreement's (CUSMA) Regulatory Amendments and New Regulations Made Pursuant to the *Customs Act*

[Customs Notice 21-08](#) Proposed Regulatory Amendments and Proposed New Regulations Related to the Implementation of the Canada - United Kingdom Trade Continuity Agreement

4. These regulations remain subject to future decision of the Governor in Council. This memorandum will be revised to provide the link to the specific regulations once the Governor in Council has passed the proposed regulatory amendments and new regulations.

Rules of origin for casual goods regulations are used to determine the entitlement of casual goods to preferential tariff treatment with respect to Canada's Free Trade Agreements (FTA). This memorandum contains guidelines concerning the administration of the regulations named below.

## 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

### CEFTA Rules of Origin for Casual Goods Regulations

### CCOFTA Rules of Origin for Casual Goods Regulations

### CJFTA Rules of Origin for Casual Goods Regulations

### CPAFTA Rules of Origin for Casual Goods Regulations

### CHFTA Rules of Origin for Casual Goods Regulations

### CKFTA Rules of Origin for Casual Goods Regulations

### CETA Rules of Origin for Casual Goods Regulations

### CUFTA Rules of Origin for Casual Goods Regulations

### CPTPP Rules of Origin for Casual Goods Regulations

### CUSMA Rules of Origin for Casual Goods Regulations

### CUKTCA Rules of Origin for Casual Goods Regulations

### Proof of Origin of Imported Goods Regulations

### Regulations Defining “EU country or other CETA beneficiary”

## Guidelines and General Information

1. Casual goods, defined in each of the regulations listed in the Legislation section above, are goods that are not intended for sale or for any industrial, occupational, commercial, institutional, or other like use. The goods may accompany an importer or traveller arriving in Canada, or they may be parcels addressed to individual recipients in Canada.
2. Casual goods, as defined in each of the Regulations listed in the Legislation section above, acquired in the FTA territory are considered originating and entitled to the FTA’s tariff benefits if:
  - (a) marked as products of Canada;
  - (b) marked as products of another country that is a party to the FTA, and the marking is in accordance with the marking legislation of that other party; or
  - (c) the goods have no country of origin marking and there is no evidence that the goods are products of a country which is not a party to the FTA in question.
3. In addition, under NAFTA and CUSMA, 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.
4. To be eligible for preferential tariff treatment under an FTA, casual goods must be acquired in the FTA territory as defined in the FTA. For example, to be eligible for preferential tariff treatment under the Canada-European Union Comprehensive Economic and Trade Agreement (CETA), casual goods must be acquired in an EU country or other CETA beneficiary. The territory of the CETA is defined in the *Regulations Defining “EU country or other CETA beneficiary”*. The territory of all other FTAs is defined in each FTA.
5. 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.

6. 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**

7. For more information, call the [CBSA Border Information Service \(BIS\)](#):

Calls within Canada & the United States (toll free): **1-800-461-9999**

Calls outside Canada & the United States (long distance charges apply):

1-204-983-3500 or 1-506-636-5064

TTY: **1-866-335-3237**

Email: [contact@cbsa-asfc.gc.ca](mailto:contact@cbsa-asfc.gc.ca)

[Contact Us](#) at the CBSA website may also be accessed for information

<b>References</b>	
<b>Issuing Office</b>	Trade and Anti-dumping Programs Directorate
<b>Headquarters File</b>	
<b>Legislative References</b>	<a href="#"><u>Customs Act</u></a> <a href="#"><u>NAFTA Rules of Origin for Casual Goods Regulations</u></a> <a href="#"><u>CIFTA Rules of Origin for Casual Goods Regulations</u></a> <a href="#"><u>CCFTA Rules of Origin for Casual Goods Regulations</u></a> <a href="#"><u>CCRFTA Rules of Origin for Casual Goods Regulations</u></a> <a href="#"><u>CPFTA Rules of Origin for Casual Goods Regulations</u></a> <a href="#"><u>CEFTA Rules of Origin for Casual Goods Regulations</u></a> <a href="#"><u>CCOFTA Rules of Origin for Casual Goods Regulations</u></a> <a href="#"><u>CJFTA Rules of Origin for Casual Goods Regulations</u></a> <a href="#"><u>CPAFTA Rules of Origin for Casual Goods Regulations</u></a> <a href="#"><u>CHFTA Rules of Origin for Casual Goods Regulations</u></a> <a href="#"><u>CKFTA Rules of Origin for Casual Goods Regulations</u></a> <a href="#"><u>CETA Rules of Origin for Casual Goods Regulations</u></a> <a href="#"><u>CUFTA Rules of Origin for Casual Goods Regulations</u></a> <a href="#"><u>CPTPP Rules of Origin for Casual Goods Regulations</u></a> <a href="#"><u>CUSMA Rules of Origin for Casual Goods Regulations</u></a> <a href="#"><u>CUKTCA Rules of Origin for Casual Goods Regulations</u></a> <a href="#"><u>Proof of Origin of Imported Goods Regulations</u></a> <a href="#"><u>Regulations Defining “EU country or other CETA beneficiary”</u></a>
<b>Other References</b>	<a href="#"><u>Canada-Honduras Free Trade Agreement (CHFTA)</u></a> <a href="#"><u>Canada-Korea Free Trade Agreement (CKFTA)</u></a> <a href="#"><u>Canada-European Union Comprehensive Economic and Trade Agreement (CETA)</u></a> <a href="#"><u>Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)</u></a> <a href="#"><u>Canada-United States-Mexico Agreement (CUSMA)</u></a> <a href="#"><u>Canada – United Kingdom Trade Continuity Agreement (CUKTCA)</u></a>
<b>Superseded Memorandum D</b>	D11-4-13 dated August 14, 2020