



Ottawa, August 8, 2013

MEMORANDUM D11-4-9

In Brief

GOODS ORIGINATING IN MEXICO, DEEMED TO BE DIRECTLY SHIPPED TO CANADA FOR THE PURPOSES OF THE GENERAL PREFERENTIAL TARIFF (GPT)

1. This memorandum has been revised in order to provide a link to the official version of the *Mexico Deemed Direct Shipment (General Preferential Tariff) Regulations*. The *Mexico Deemed Direct Shipment (General Preferential Tariff) Regulations* are no longer fully excerpted in this memorandum.
2. The editing revisions made in this memorandum do not affect or change any of the existing policies or procedures.





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This memorandum contains a link to the official version of the *Mexico Deemed Direct Shipment (General Preferential Tariff) Regulations* exempting goods originating in Mexico, and claiming the benefits of the General Preferential Tariff (GPT), from the condition of direct shipment on a through bill of lading when the goods are shipped overland.

Regulations

The official version of the *Mexico Deemed Direct Shipment (General Preferential Tariff) Regulations* may be found on the Department of Justice Web site at: <http://laws-lois.justice.gc.ca/eng/regulations/SOR-98-37/page-1.html>.

The official version of the *General Preferential Tariff and Least Developed Country Tariff Rules of Origin Regulations* may be found on the Department of Justice Web site at: <http://laws-lois.justice.gc.ca/PDF/SOR-98-34.pdf>.

GUIDELINES AND GENERAL INFORMATION

1. The *General Preferential Tariff and Least Developed Country Tariff Rules of Origin Regulations* stipulate that goods imported under the General Preferential Tariff must be shipped directly, with or without transshipment, from the country in which they originate.
2. The interpretation of direct shipment is contained in section 17 of the *Customs Tariff*.
3. The through bill of lading is one single document that accompanies the goods and states clearly the transportation route from the shipper in the producing country to a consignee in Canada.

4. The *Mexico Deemed Direct Shipment (General Preferential Tariff) Regulations* (“*Regulations*”) exempts goods originating in Mexico and shipped overland from the condition of direct shipment on a through bill of lading.

5. These Regulations allow goods originating in Mexico and seeking the benefit of the General Preferential Tariff to be transhipped through a United States (U.S.) port adjacent to the Mexico-U.S. border and conveyed from that port on a through bill of lading to a consignee in Canada.

6. The following documents must be submitted to the Canada Border Services Agency (CBSA) at the time of accounting:

- (a) the bill of lading from Mexico to the adjacent U.S. border port;
- (b) a through bill of lading or waybill from the adjacent U.S. port to a consignee in Canada; and if requested;
- (c) documentation showing that the goods remained under customs’ control while in the U.S., e.g., a Temporary Entry Bond.

7. Proof of origin showing that the goods originated in Mexico must be presented to the CBSA pursuant to section 4 of the *Proof of Origin of Imported Goods Regulations* contained in Memorandum D11-4-2, *Proof of Origin*. Failure to do so may result in the application of Administrative Monetary Penalty C152 - “Importer or owner of goods failed to furnish proof of origin upon request.”

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

<p>ISSUING OFFICE – Trade Programs Directorate</p>	<p>HEADQUARTERS FILE – 4570-2/Mexico</p>
<p>LEGISLATIVE REFERENCES – <i>Customs Tariff</i> P.C. 1997-2008, December 29, 1997</p>	<p>OTHER REFERENCES – D11-4-2</p>
<p>SUPERSEDED MEMORANDA “D” – D11-4-9, April 15, 2005</p>	

Services provided by the Canada Border Services Agency
are available in both official languages.

