



Ottawa, July 11, 2014

Memorandum D11-6-8

Verification of Origin (Non-free Trade Agreements), Tariff Classification, and Value for Duty of Imported Goods

In Brief

The editing revisions made in this memorandum do not affect or change any of the existing policies or procedures.

This memorandum provides information on a verification conducted under section 42.01 of the [Customs Act](#).

Legislation

The legislation governing the guidelines and general information contained in this memorandum are contained in section 42.01 of the [Customs Act](#).

Regulations

The regulations governing the guidelines and general information contained in this memorandum are presented in the [Verification of Origin \(Non-Free Trade Partners\), Tariff Classification and Value for Duty of Imported Goods Regulations](#) and the [Determination, Re-determination and Further Re-determination of Origin, Tariff Classification and Value for Duty Regulations](#).

Guidelines and General Information

Why are Verifications Conducted?

1. Verifications are used to ensure that importers comply with CBSA requirements and programs.

What are the Main Objectives of Conducting a Verification?

2. Verifications are used to:
- (a) assess a client's compliance with CBSA administered legislation;
 - (b) determine compliance within industry sectors;
 - (c) conduct a review of a client's liabilities and entitlements; and
 - (d) assess the integrity of trade data received from importers.

Scope of Programs

3. Verifications carried out under the provisions of section 42.01 of the [Customs Act](#) (the Act) apply to three program areas, specifically:
- (a) origin (non-free trade agreement);
 - (b) tariff classification; and
 - (c) value for duty.

Scope of Origin Program Covered

4. A verification of origin under section 42.01 of [the Act](#) may be conducted on goods imported under:
- (a) Most-Favoured-Nation Tariff;
 - (b) General Preferential Tariff;
 - (c) Commonwealth Caribbean Countries Tariff;
 - (d) Least Developed Country Tariff;
 - (e) Australia Trade Agreement; and
 - (f) New Zealand Trade Agreement.

Scope of Origin Program Excluded

5. A verification of origin under section 42.01 of [the Act](#) may not be conducted on goods imported under a free-trade agreement.
6. Information concerning verifications of origin on goods imported (or in some cases exported) under a free-trade agreement, can be found in [Memorandum D11-4-20, Procedures for Verifications of Origin Under a Free Trade Agreement](#).

Methods of Verification

7. Verifications can be conducted by using one or more of the following methods:
- (a) questionnaire;
 - (b) verification letter;
 - (c) verification visit; and
 - (d) a review of any other information or articles received from an importer, owner, or person who accounted for the goods under subsection 32(1), (3), or (5) of [the Act](#).
8. The Canada Border Services Agency (CBSA) will select the verification method(s) to be used for reviewing imported goods, taking into account the specific program needs and the nature of the client's activities.
9. The CBSA will decide where the verification will be conducted, whether it will be on-site, from the officer's workplace, or a combination of the two, and the program(s) to be reviewed for each client.
10. The CBSA will conduct verifications as one of the means of ensuring compliance with the legislation and regulations that the CBSA administers.

Verification Questionnaire/Verification Letter

11. As part of the verification process, the CBSA may send a questionnaire or letter to the importer, owner, or person who accounted for the goods under subsection 32(1), (3), or (5) of [the Act](#), which may identify the following:
- (a) start date of the verification;
 - (b) scope of the verification (including the anticipated verification period);
 - (c) name(s) of the verification team member(s);
 - (d) legislative basis for the verification; and
 - (e) a request for certain documents or information.

Verification Visit

12. As part of the verification process, a verification visit may be conducted by an officer. The officer will attend the place or premises of the importer, owner of the goods, or the person who accounted for the goods under subsection 32(1), (3), or (5) of [the Act](#) to conduct that part of the verification.

Verification of Other Information or Articles

13. As part of a verification, the CBSA may review any other information received from the importer, owner, or person who accounted for the goods under subsection 32(1), (3), or (5) of [the Act](#) during the verification. As well, information the CBSA may already have available (e.g., copies of Form B3-3, product information or analysis, and trade literature) may also be used in the verification process.

14. As part of the verification, the CBSA may analyze an article. This article may be something that was requested as part of the verification (e.g., a sample of a textile or a particular chemical), or it may be an article that is relevant to the verification, which the CBSA already has in its possession.

Re-determination or Further Re-determination

15. Determination of origin, tariff classification and value for duty of imported goods is made under section 58 of [the Act](#).

16. Based on the results of an audit or examination conducted under section 42.01 of [the Act](#), a CBSA officer may, pursuant to section 59 of [the Act](#), re-determine or further re-determine the origin, tariff classification and/or value for duty of the imported goods, at any time within four years after the date of the determination.

17. Where a correction or a refund has been filed within the last year of the four-year limit on correction period (i.e., 37th to 48th month from the import declaration), the CBSA will have five years to further re-determine the goods. Additional information is contained in the [Determination, Re-determination and Further Re-determination of Origin, Tariff Classification and Value for Duty Regulations](#).

Disclosure

18. The CBSA will ensure that verification results, and the rationale for decisions, are fully explained to the client at the end of any verification through an exit interview, at a disclosure meeting, or through written correspondence.

Review and Appeal

19. For information concerning the dispute resolution process for importers who disagree with the Agency's determination, re-determination, or further re-determination of origin, tariff classification, or value for duty of goods, please refer to [Memorandum D11-6-7, Importers' Dispute Resolution Process for Origin, Tariff Classification, and Value for Duty of Imported Goods](#).

Books and Records

20. Information pertaining to the records and books that must be maintained in Canada by importers is contained in [Memorandum D17-1-21, Maintenance of Records in Canada by Importers](#).

Confidentiality

21. Information obtained as a result of a verification will be maintained in accordance with section 107 of [the Act](#).

Additional Information

22. For more information, call contact 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):

1-204-983-3550 or 1-506-636-5064

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

[Contact Us online](#) (webform)

[Contact Us](#) at the CBSA website.

References	
Issuing Office	Trade and Anti-dumping Programs Directorate
Headquarters File	4563-10-4
Legislative References	<u><i>Customs Act</i></u> <u><i>Verification of Origin (Non-Free Trade Partners), Tariff Classification and Value for Duty of Imported Goods Regulations</i></u> <u><i>Determination, Re-determination and Further Re-determination of Origin, Tariff Classification and Value for Duty Regulations</i></u>
Other References	<u>D11-4-20</u> , <u>D11-6-7</u> , <u>D17-1-21</u>
Superseded Memorandum D	D11-6-8 dated April 21, 2000