



Fundamental Aspects for International Shipping

# Shipping to Canada from Chile



# Shipping to Canada from Chile

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# Shipping to Canada from Chile

## Fundamental Aspects for International Shipping

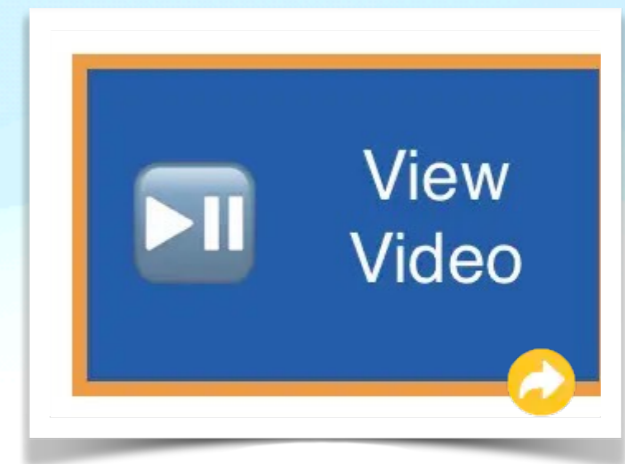
- HS Codes
- Valuation
- Country of Origin
- Resulting duty assessment

Export Declaration from Chile

Canada Chilean Free Trade Agreements

Non-Resident Importer (NRI) to Canada

Shipping Options Chile to Canada Returns and Logistics Support.



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# Shipping to Canada from Chile

## HS Codes

### Chilean HS codes versus Canadian HS codes

The main difference between HS codes in Chile and Canada lies in the additional digits. The first six digits are harmonized globally

- The Harmonized schedule Canadian Customs Tariff



See link to Canada and Chilean resources for HS lookup: [👉 Jet's blog on HS Codes](#)



# Shipping to Canada from Chile

## HS Codes

You can find the Canadian HS codes via Canada Export Development Corporation's online tool.



### Canada Export Development Corp



A link to these tools are included on [Jet's blog on HS Codes](#)



# Shipping to Canada

## HS Codes

### Generic Harmonized System (GHS) to Canada

Canada has a tariff classification process for qualified postal and courier imports. The system may be used in lieu of a more detailed classification. This a great benefit for e-commerce imports.

This gives the option to apply one of three generic Most-Favoured-Nation (MFN) tariff rates. Assessment on “special classification provisions” found in Chapter 98 of Canada’s Customs Tariff.

<b>Tariff Item</b>	<b>MFN Tariff</b>	<b>Preferential Tariff Treatment</b>
9825.10.00	20%	e.g. UST/MT/ CT - Free
9825.20.00	8%	e.g. UST/MT/ CT - Free
9825.30.00	0%	e.g. UST/MT/ CT - Free

Source: CBSA Sept 2021 presentation



# Shipping to Canada

## HS Codes Export versus Import

### Advance Ruling

Importers to Canada can request an advance ruling to verify the correct tariff classification. Request can be made directly to Canadian customs/ CBSA.

 [Jet's blog on HS Codes](#)





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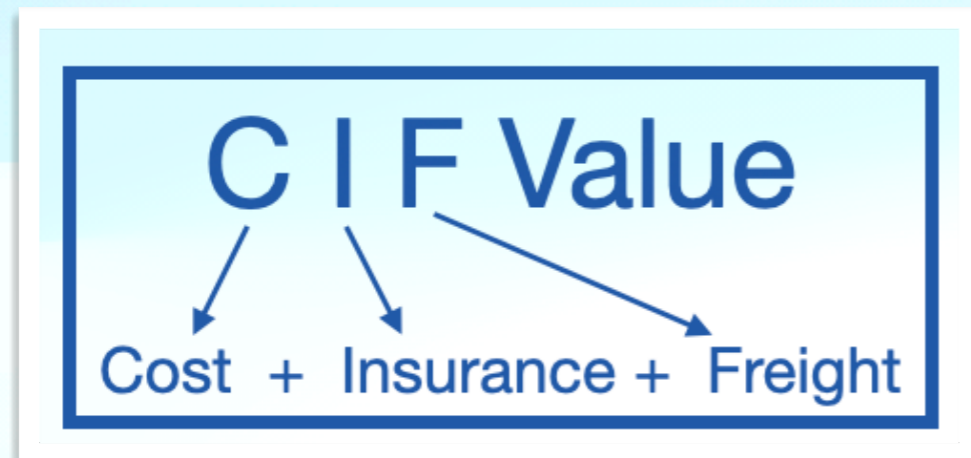
# Shipping to Canada from Chile

## Valuation / Value For Duty

### Transaction Value

In the majority of the cases, the correct value to declare at export and import is the “transaction value.” The transaction value is the price paid - or payable - for the goods.

The cost of shipping and insurance is included as part of the transaction value (known as CIF value).

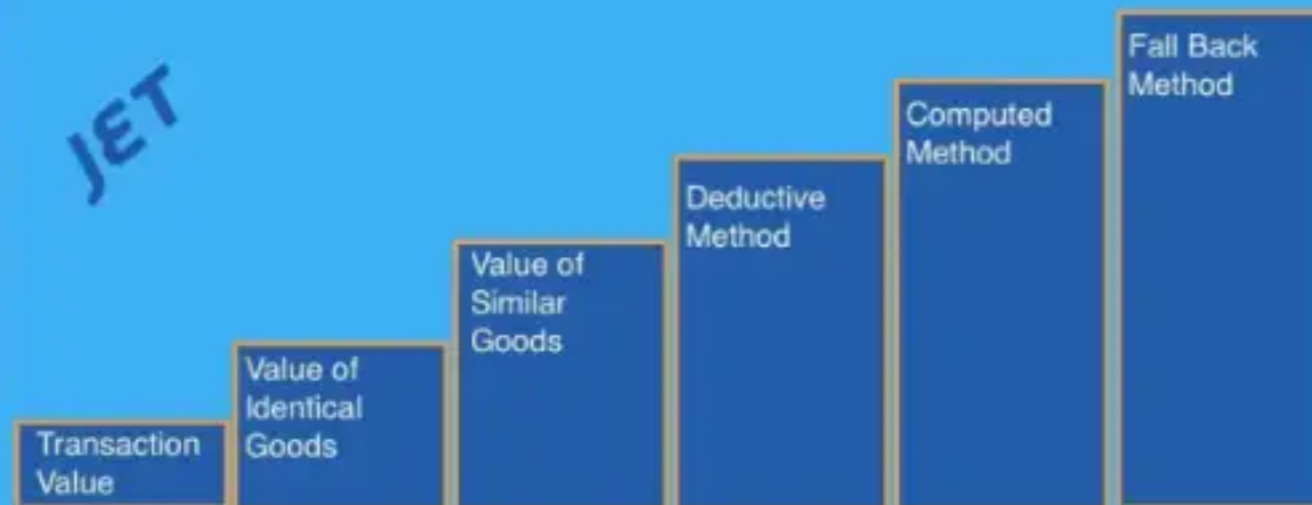


Useful information regarding [declared value and CIF](#)

# Shipping to Canada from Chile

## Valuation / Value For Duty

The transaction value is the first method to apply



If the transaction value is not applicable, apply the subsequent methods in hierarchical order

Useful information regarding [declared value and CIF](#)

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# Shipping to Canada

## Country of Origin

Just the purchase and shipping an item from Chile does not grant duty free status to Canada

**Shipping from Chile  $\neq$  Chilean origin goods**

To benefit from preferential duty free import to Canada, goods must qualify under the rules of origin of a free trade agreement.

### All Shipments from Chile are subject to:

- Standard import processing
- “Most Favoured Nation” / default rate of duty (unless they qualify as originating)
- Restrictions on specific categories including food and drugs

Useful information on  from where goods ship versus their country of origin



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- HS Codes
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## • **Resulting duty assessment**

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# Shipping to Canada

## Canada's Import Tariffs / Duty

Import Duty is primarily determined by three main factors

- HS Code / tariff classification
  - Country of Origin
- = % Duty

$\% \text{ Duty} \times \text{Value} = \text{Resulting duty assessment}$

\* Note that duty is sometimes based on volume, weight or other measurements rather than value

## Other Canadian Import Fees

- Federal and Provincial sales tax
- Entry Preparation and related Fees
- Carrier Disbursement Fee

Useful information  
 [Canadian import fees](#)



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# Shipping to Canada from Chile

## Export Declaration

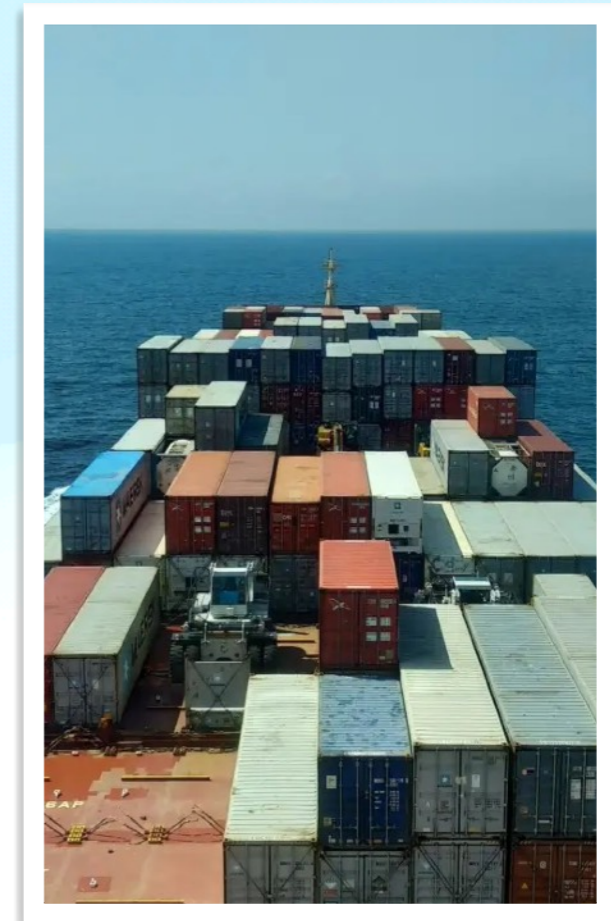
Confirm the export formalities from Chile.

The HS classification for export may be different from the Canadian classification.

All cargo exporting from Chile must clear customs. Restricted goods and those over \$1,000 USD require an export declaration. This is referred to as DUS (Documento Unico Salida).



[https://www.aduana.cl/declaracion-unica-de-salida-ivv/aduana/2007-02-27/170133.html#vtxt\\_cuerpo\\_T5](https://www.aduana.cl/declaracion-unica-de-salida-ivv/aduana/2007-02-27/170133.html#vtxt_cuerpo_T5)



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# Shipping to Canada from Chile

## CPTPP and CCFTA Free Trade Agreements

- Canada and Chile are part of the **CPTPP** free trade agreement
- Canada Chile have a bilateral Free Trade Agreement - **CCFTA**

The key advantage of both agreements for merchandise trade is allowing most Chilean origin goods to import duty free. And vice versa.

- CCFTA and CPTPP co-exist
- Businesses can choose either the CCFTA or CPTPP



### CPTPP **Canada**

Australia  
Brunei  
**Chile**  
Japan  
Malaysia  
Mexico  
New Zealand  
Peru  
Singapore  
Vietnam

### CCFTA **Canada** **Chile**



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## Non-Resident Importer (NRI) to Canada

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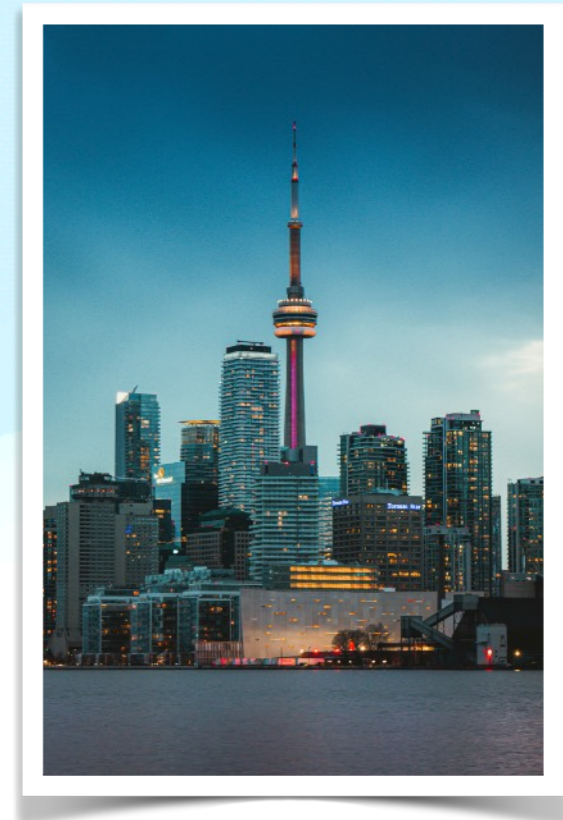
## Non-Resident Importer/ NRI

The NRI program allows Chile businesses to get a Canadian Business Number (BN). This is the most common way for foreign companies to import goods to Canada.

This program allows Chile companies to act as their own distributor to Canada.

The requirements include record keeping, posting of a surety bond to benefit from customs release prior to payment of import fees, and reporting.

**Note: Different methods of valuation/ “value for duty” may apply**



Visit CBSA website

.... or contact a ↻ [Canadian customs broker](#) or an accounting firm for more information.



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# Shipping to Canada from Chile

## Shipping Options and processes: Chile to Canada

### For Parcels: Obvious .. and often.. good choices

FedEx, UPS and DHL

- Beware of import fees
- Disbursement fee - prepayment fee - often applies with a minimum charge
- The import fees can be significant as a percentage of the value of the shipment

Local Post / Correos

- Best option for individuals shipping personal goods

**Multi piece shipments, heavier packages pallets benefit from economy air and sea freight**



# Shipping to Canada from Chile

## Modes of Shipping: Chile to Canada

Small Packets and Personal shipments	Commercial parcels	Several Boxes	1 to Several pallets	Partial or full container
Local Post				
JET Commercial Courier				
		JET Air Cargo		
			JET Sea Freight	

➔ Contact our team for pricing and support





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## Returns in Canada for Chilean Companies

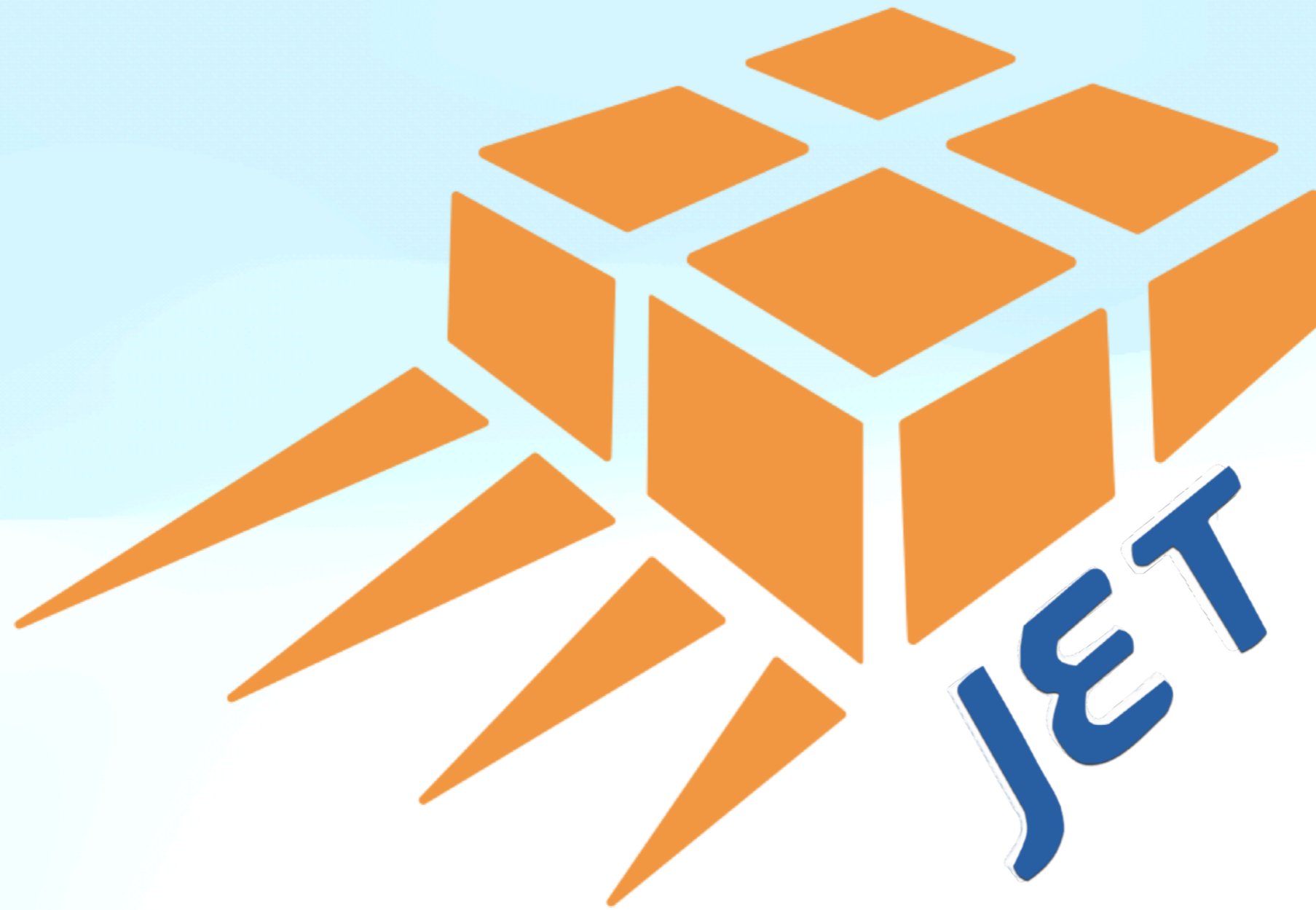
### Return Solutions Canada to Chile

A necessary consideration when setting up export processes to a foreign country is management of returns.

- Refused deliveries
- Damaged goods
- Regular product returns
- Receive and reship

Jet Worldwide currently manages Amazon removal order, and return support for overseas companies. Goods ship back via economy air or LCL ocean.





[JetWorldwide.com](http://JetWorldwide.com)