



Fundamental Aspects for International Shipping

Shipping to Canada from South Korea



Shipping to Canada from South Korea

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We encourage independent research directly with regulators and to see professional counsel as necessary.



Shipping to Canada from South Korea

Fundamental Aspects for International Shipping

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



Export Declaration from South Korea

Canada-Korea Free Trade Agreement

Non-Resident Importer (NRI) to Canada

Shipping Options South Korea to Canada Returns and Logistics Support.



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HS Codes

South Korea HS codes versus Canadian HS codes

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

- The Harmonized schedule Canadian Customs Tariff



Korea Customs
Service



<https://www.customs.go.kr/english/ad/ct/CustomsTariffList.do?mi=8037>



Government
of Canada

Gouvernement
du Canada

Customs Tariff 2022
Read More



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HS Codes

In addition to Korean online resources, 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](#)



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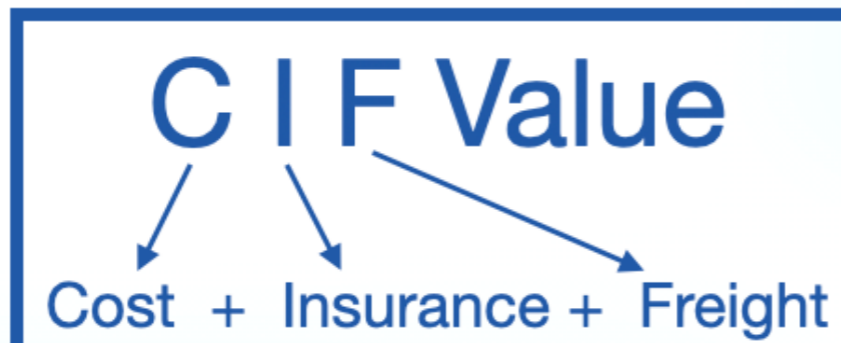
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Valuation / Value For Duty

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.

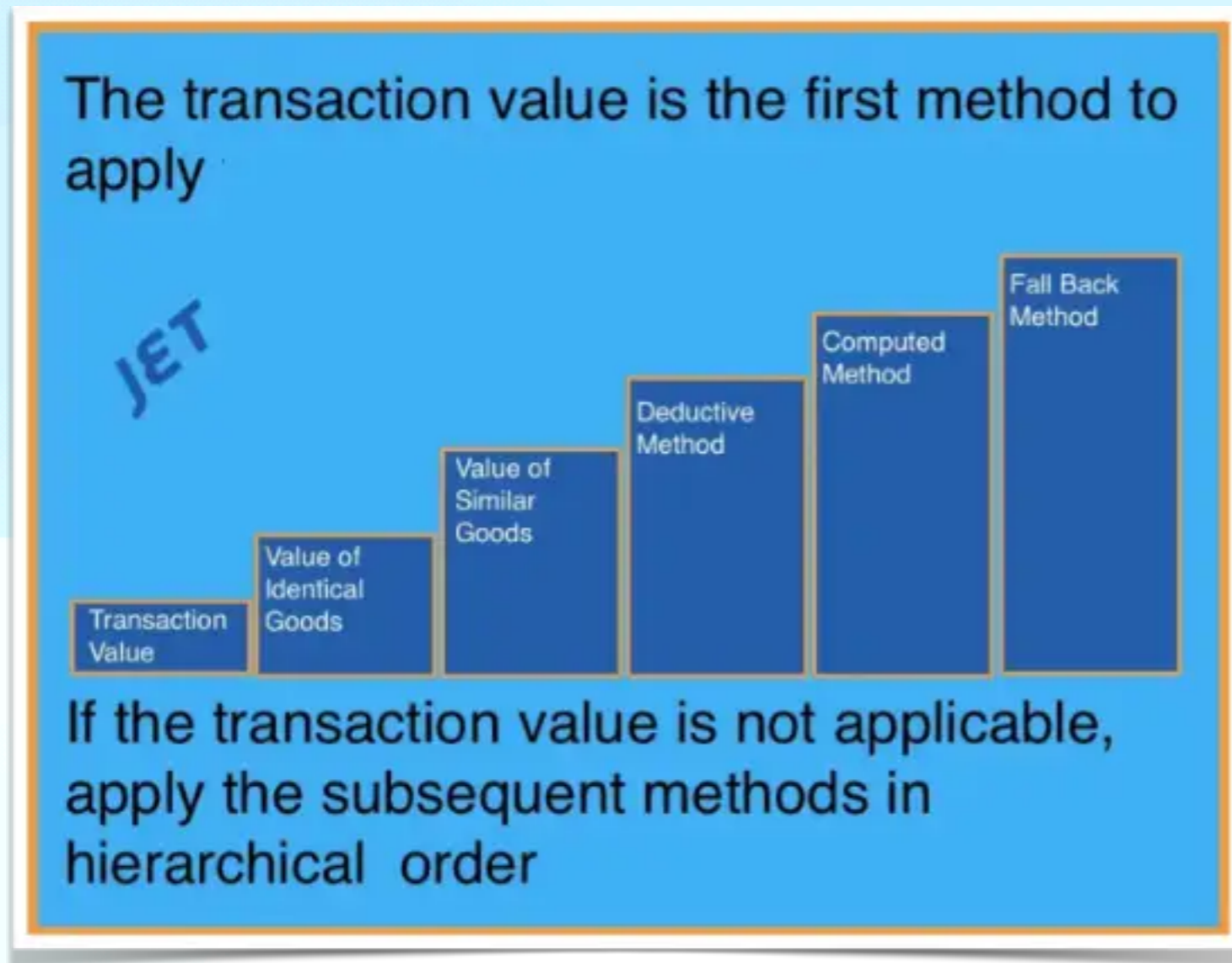
The cost of shipping and insurance is included as part of the transaction value (known as CIF value).



Useful information regarding [!\[\]\(17acf1afa8cdf0b67c53d4865a5ed469_img.jpg\) declared value and CIF](#)

Shipping to Canada from South Korea

Valuation / Value For Duty



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



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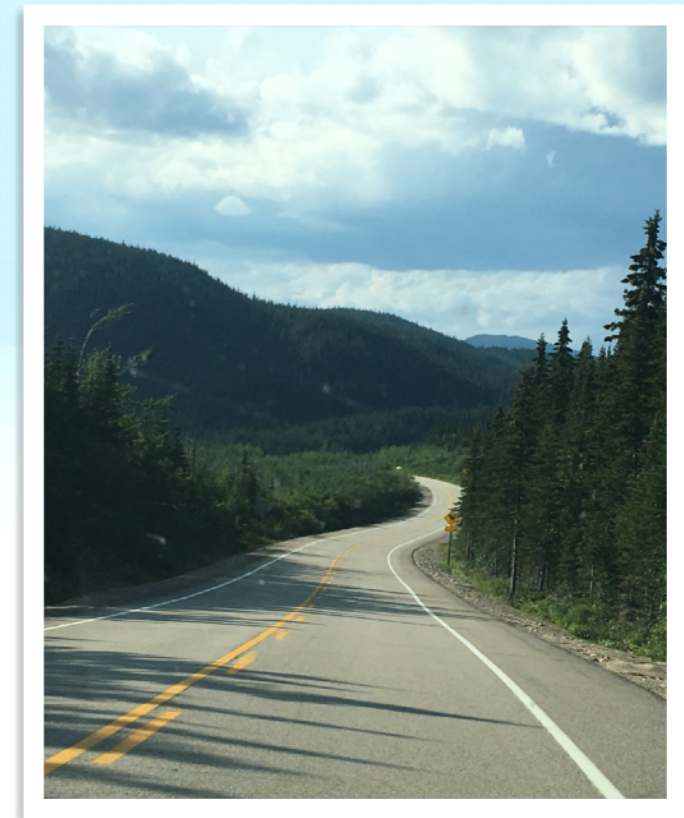
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Country of Origin


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

Shipping from South Korea \neq Korean origin goods

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

All Shipments from South Korea are subject to:

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

Useful information on
 [Shipped from vs. country of origin](#)



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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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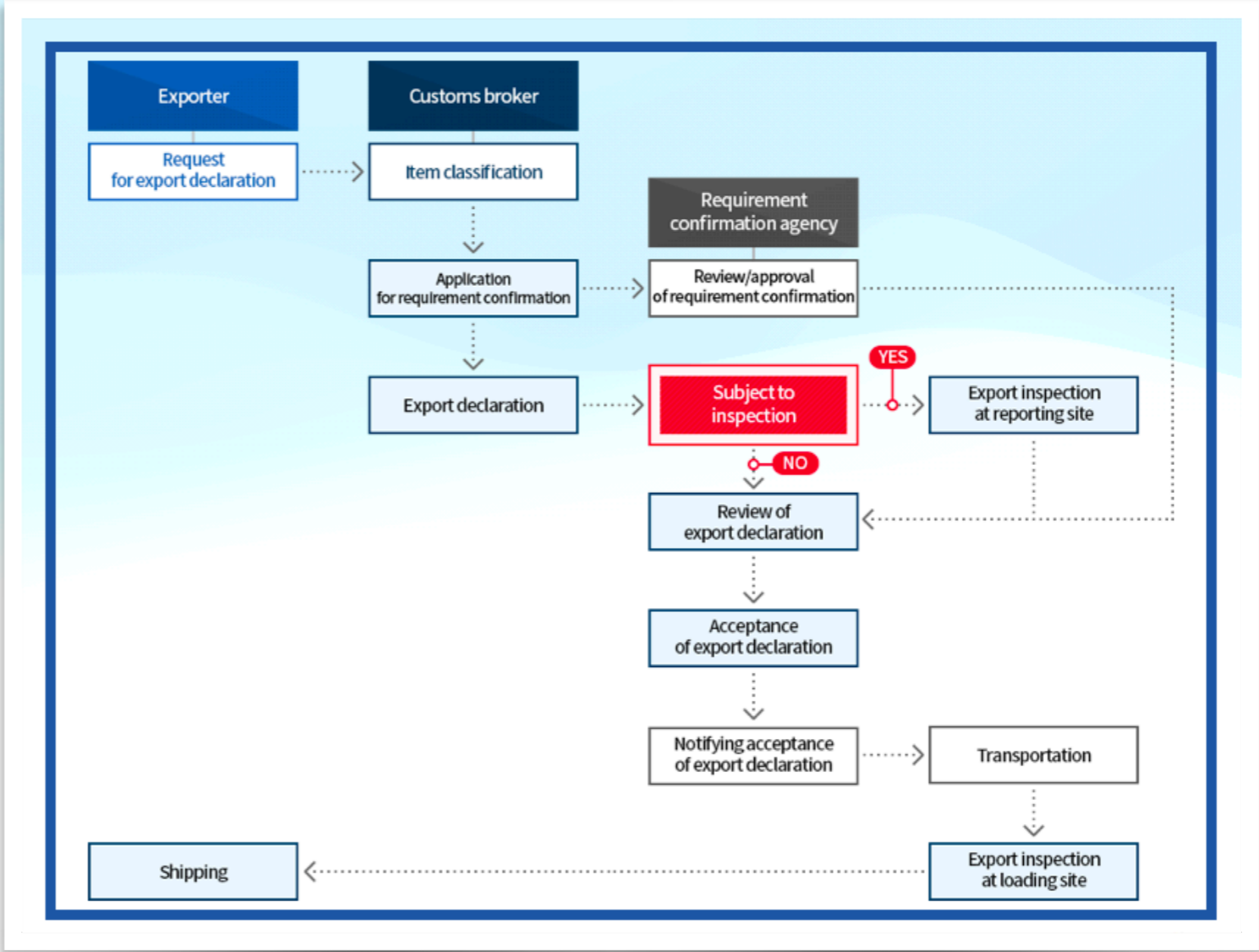
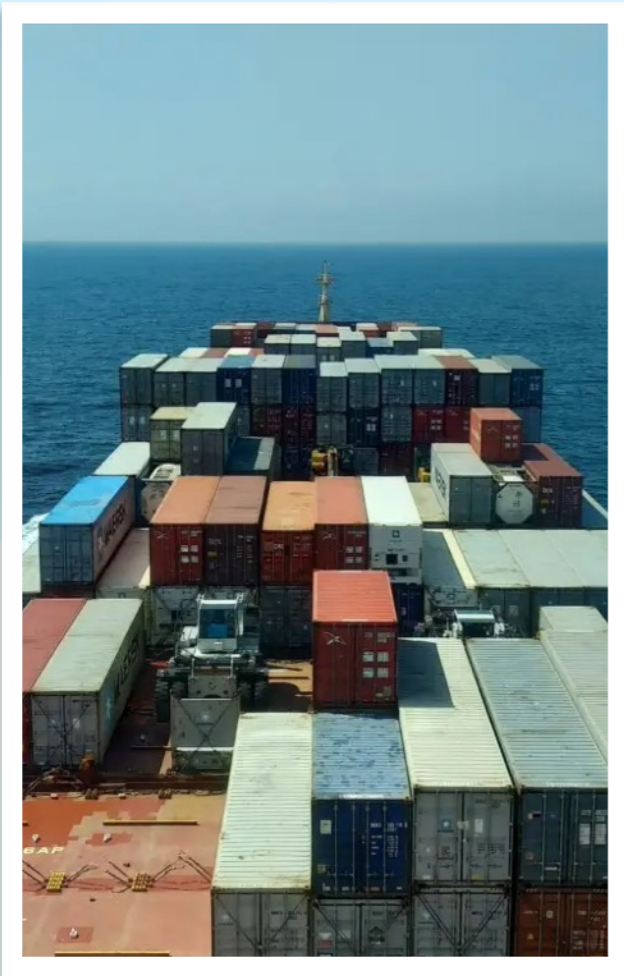
Non-Resident Importer (NRI) to Canada

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Export Declaration



Source: <https://www.customs.go.kr/english/cm/cntnts/cntntsView.do?mi=8056&cntntsId=2732>



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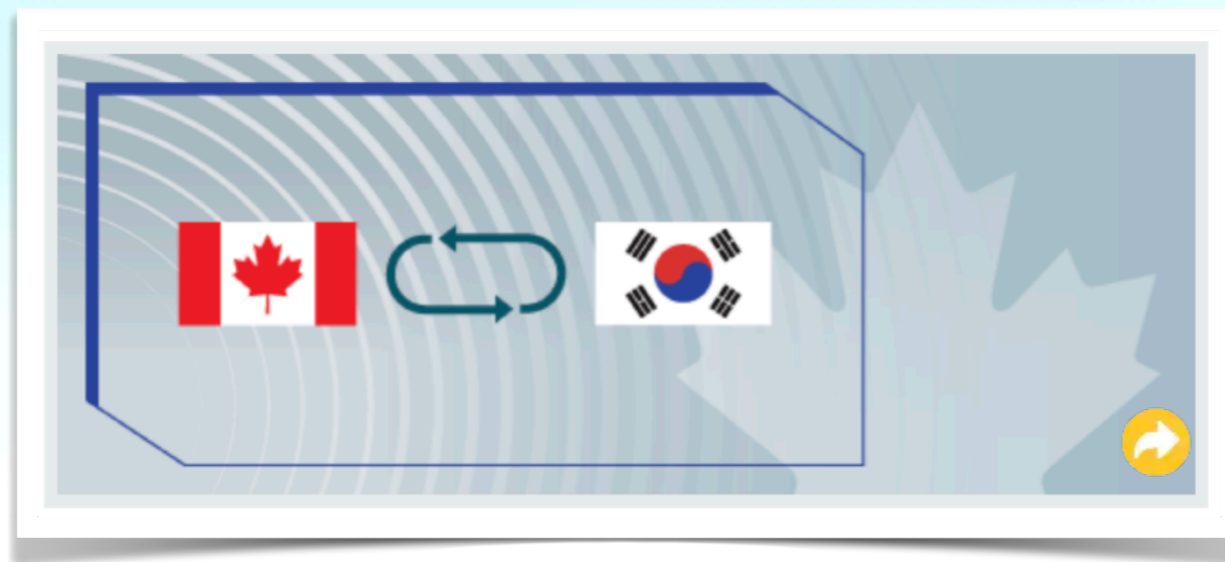


Shipping to Canada from South Korea

Canada-Korea Free Trade Agreement

The Canada-Korea Free Trade Agreement facilitates trade and market access for goods and services. It includes rules of origin that qualify goods for preferential rates of duty.

The key advantage for merchandise trade is South Korea origin goods can qualify for preferential duty free import. Be sure to include a certification of origin.



<https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/korea-coree/index.aspx?lang=eng>

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Non-Resident Importer/ NRI

The NRI program allows South Korea 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 South Korea companies to effectively operate 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

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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



Shipping to Canada from South Korea

Shipping Options and processes: South Korea 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

- Korean Post options are best for individuals shipping personal goods

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



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Returns in Canada for South Korea Companies

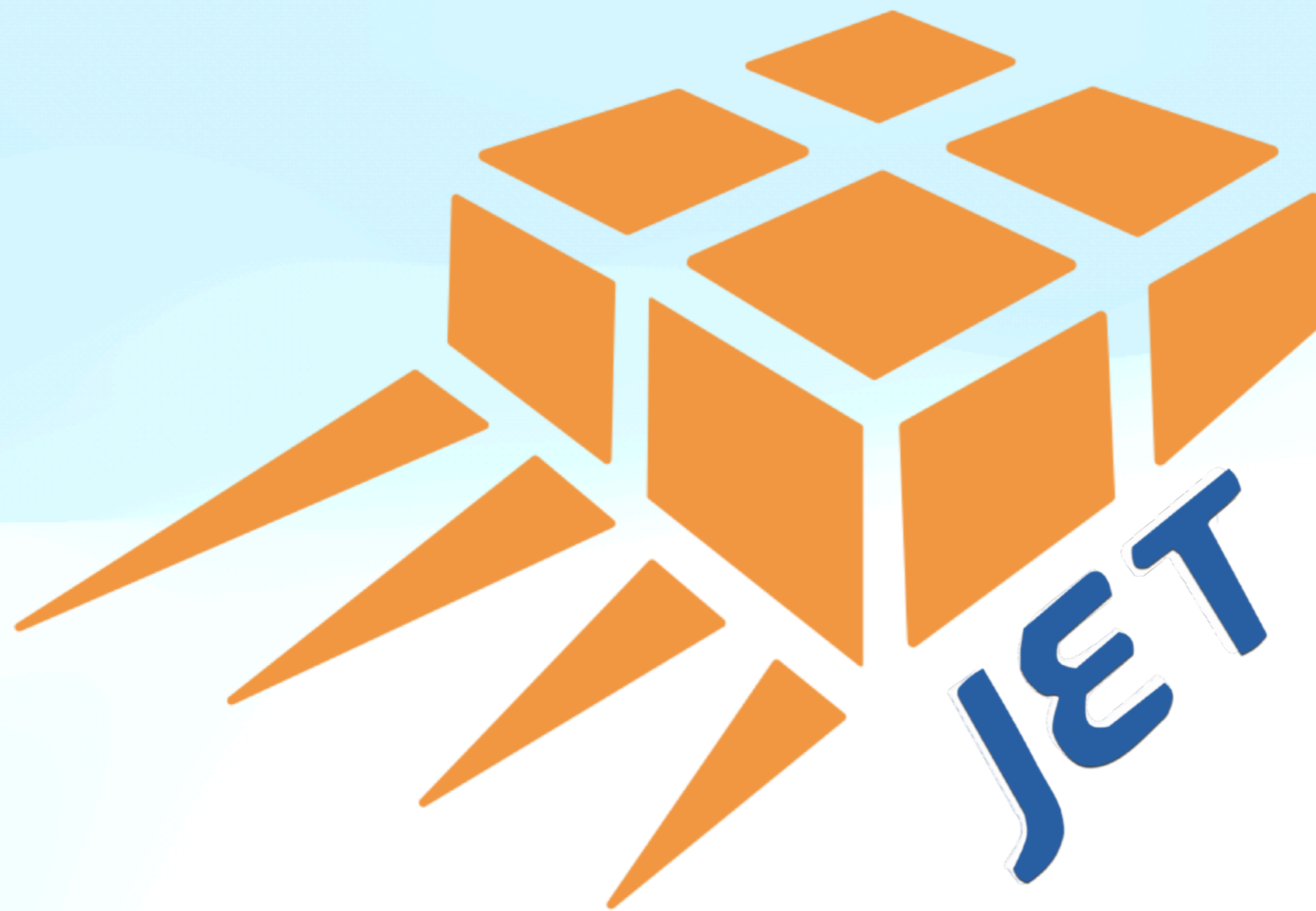
Return Solutions Canada to South Korea

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.





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