



Fundamental Aspects for International Shipping

Shipping to Canada from Mexico



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Shipping to Canada from Mexico

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



Shipping to Canada from Mexico

Fundamental Aspects for International Shipping

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

Export Declaration from Mexico

Canada - Mexico Free Trade

Non-Resident Importer (NRI) to Canada

Shipping Options Mexico to Canada Returns and Logistics Support



[https://
www.jetworldwide.com
/blog/parcel-shipping-
from-mexico-to-
canada](https://www.jetworldwide.com/blog/parcel-shipping-from-mexico-to-canada)



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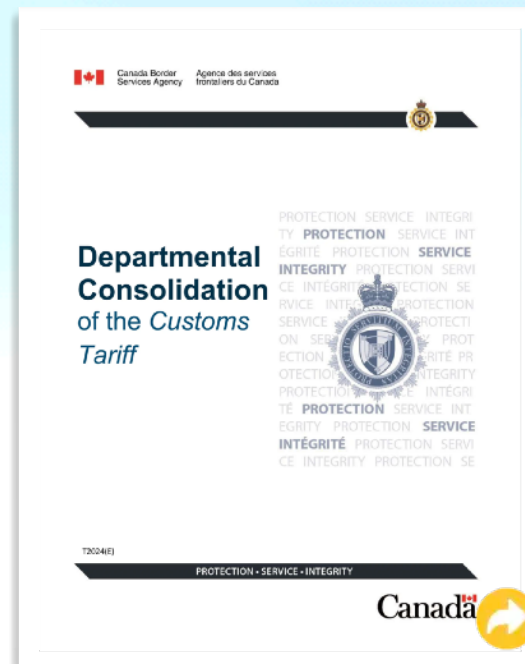
HS Codes

Mexico HS codes versus Canadian HS codes

The main difference between HS codes in Mexico and Canada lies in the additional digits they may use to further specify product classifications. The first six digits are harmonized globally



https://www.snice.gob.mx/~oracle/SNICE_DOCS/LIGIE-UNIFICADA-27dic23-LIGIE_20240109-20240109.pdf



<https://www.cbsa-asfc.gc.ca/trade-commerce/tariff-tarif/2024/01-99/01-99-2024-eng.pdf>



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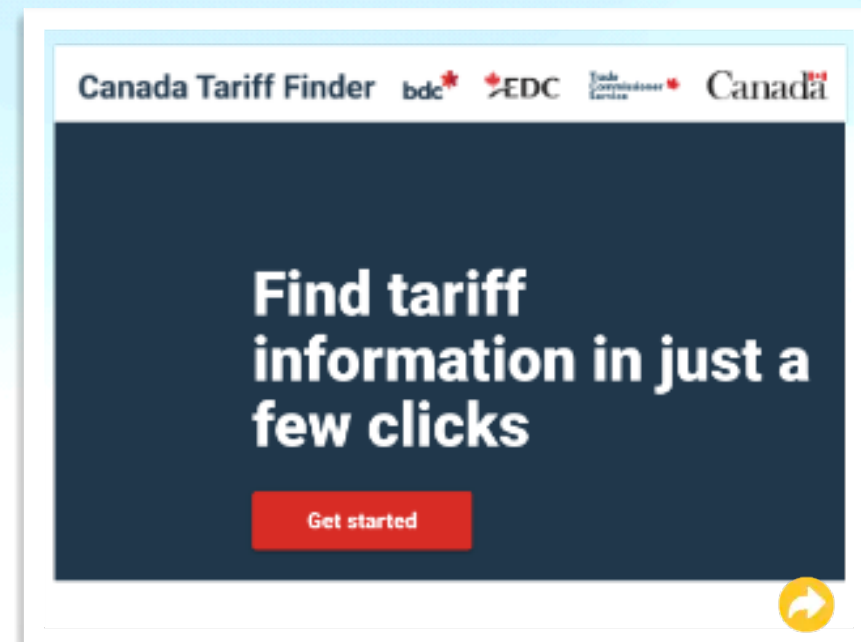
HS Codes

Resources to find an Tariff Classifications



<https://www.snice.gob.mx/cs/avi/snice/ligie.info22.html>

Canada Export Development Corp



<https://www.tariffinder.ca/en/>

 [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.

GHS Tariff Structure		
Tariff Item	MFN Tariff	Preferential Tariff Treatment
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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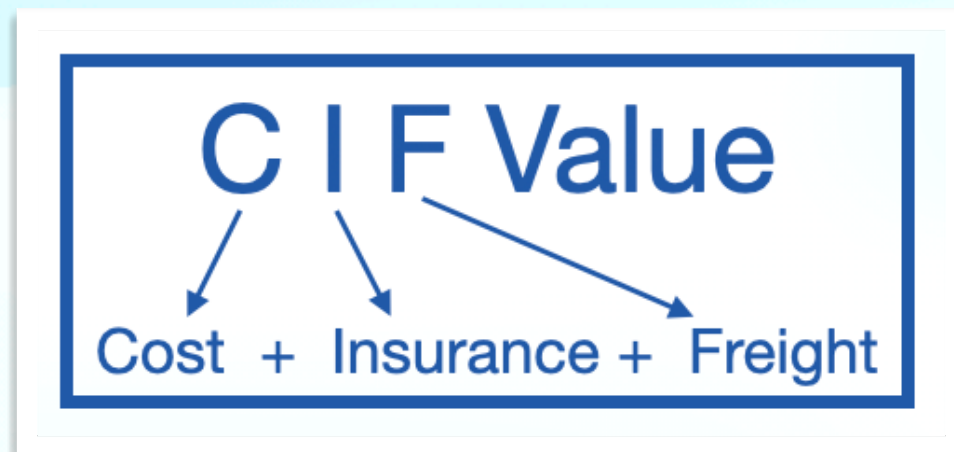
Shipping to Canada from Mexico

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.

Customs considers the cost shipping and insurance as part of the transaction value (known as CIF value).

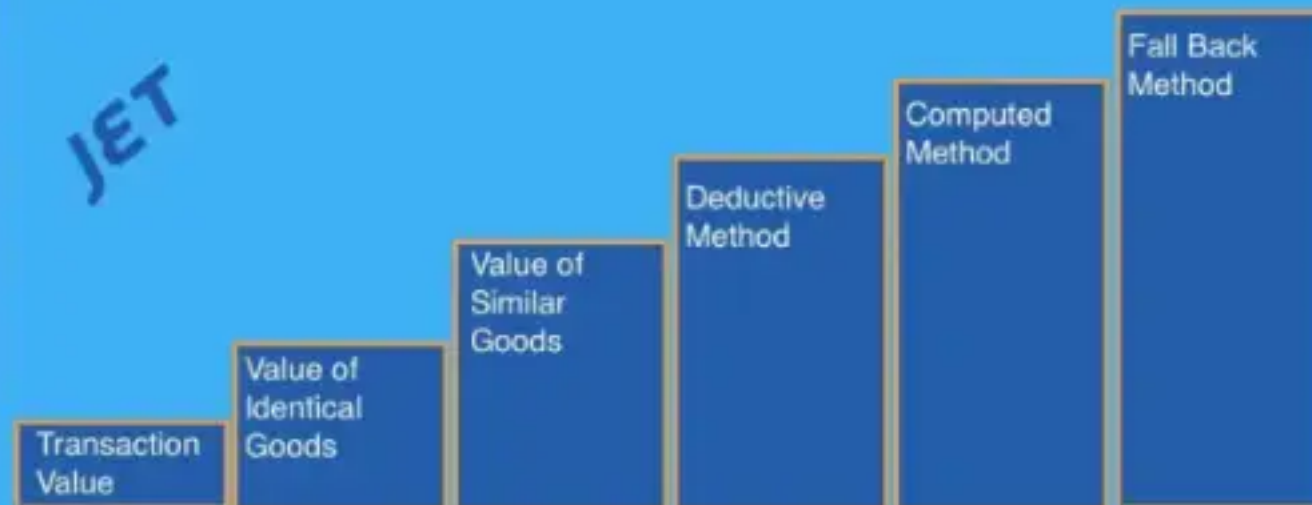


Useful information regarding  [declared value and CIF](#)

Shipping to Canada from Mexico

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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Country of Origin

Shipping from Mexico ≠ Mexican origin goods

Goods that ship from Mexico have a higher duty free threshold

- Higher low value duty threshold (consignments up to CAD \$150 can import duty free)



All Shipments from Mexico 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  from goods ship versus their 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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Export Declaration Mexico to Canada

When Mexican goods are shipped to another country, an export declaration is necessary. Required information includes

- Commercial invoice for the products
- Certificate of origin (for T-Mec/CUSMA and CPTPP)
- Packing list to identify location of goods within shipment
- Air waybill or bill of lading or courier consignment note



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T-Mec / CUSMA



Canada

Mexico

United States

CPTPP



Canada, Australia, Brunei, Chile, Japan, Malaysia,

Mexico, New Zealand, Peru, Singapore, Vietnam

Shipping to Canada from Mexico

Canadian - Mexican Free Trade



Canada Mexico United States



Canada, Australia, Brunei, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, Vietnam

Concepts to take into consideration to Qualify as originating

- Regional Value Content (RVC)
- Labor Value Content (LVC)
- De Minimis Rule
- Rules for specific categories of goods

Shipping to Canada from Mexico

Canadian - Mexican Free Trade

Key take aways:

1. If you make it, grow it, process or raise it in Mexico, it can likely qualify for duty free import to Canada
2. The certification paperwork paperwork is easy to prepare and include with the shipment

Useful information via Canadian Government online resources

➡ [Things to know about CUSMA](#)

➡ [Things to know about CPTPP](#)



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Non-Resident Importer/ NRI

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

As a non-resident importer, you can act as your 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 valuation methods and value for duty may apply to non-resident imports

Visit CBSA website

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



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Shipping Options and processes: Mexico to Canada

Small Packets and Personal shipments	Commercial parcels	Several Boxes	1 to Several pallets	Partial or full container
USPS				
JET Commercial Ground or Air Courier				
		JET Ground or LTL		
			JET LTL or Full Truck Load	

 Contact our team for pricing and support



Shipping to Canada from Mexico

Shipping Options and processes: Mexico to Canada

Obvious .. and often.. good choices
FedEx, UPS, DHL

Mexican Post Office - Correos

- Best for individuals and personal packages



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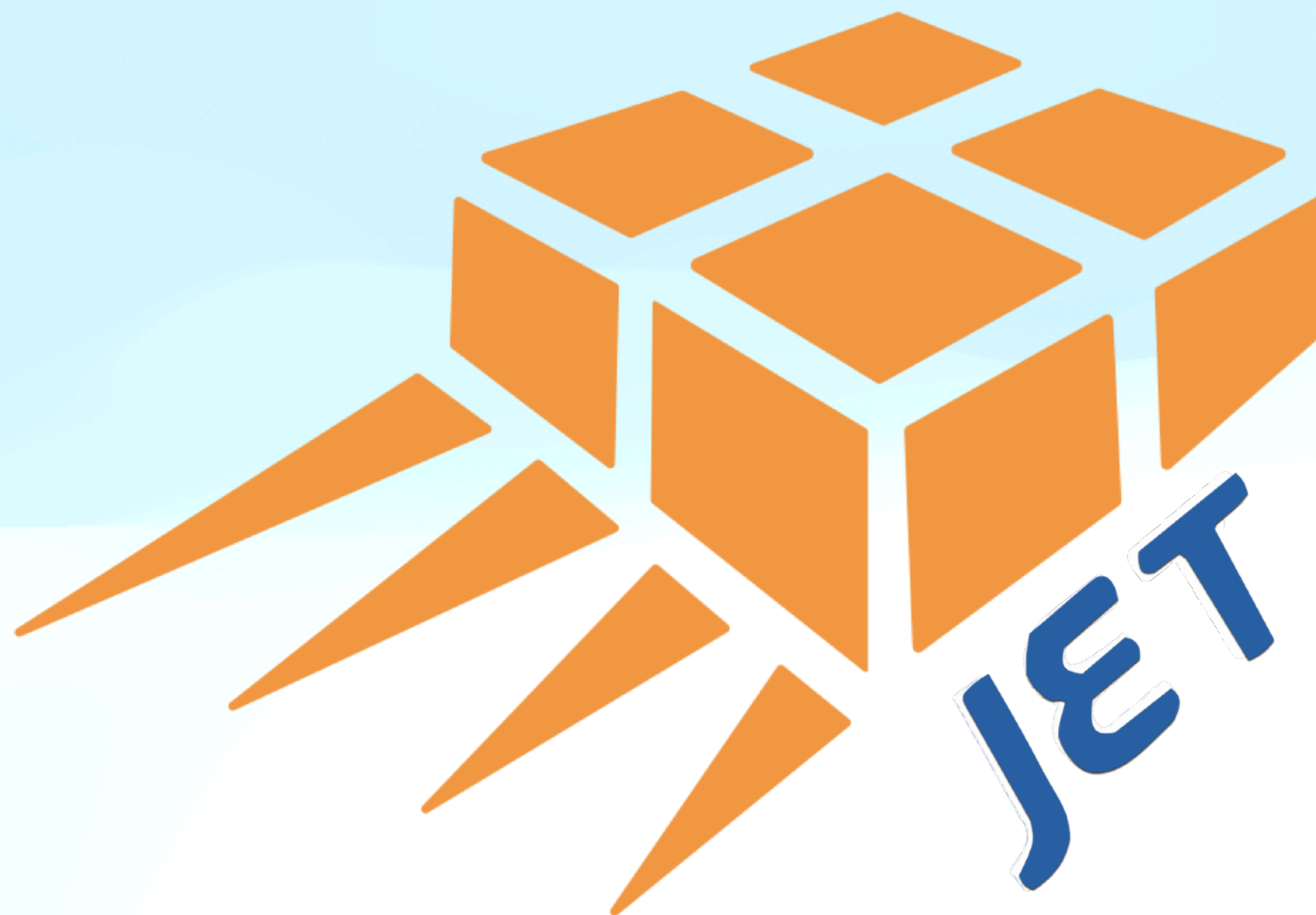
Returns in Canada for Mexican Companies

Return Solutions Canada to Mexico

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





Useful Video

Shipping  Mexico to Canada
Fundamentals



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