



# Your Guide to International Shipping

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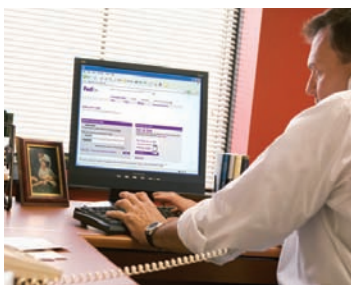
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# Getting Started

The first step to simplifying international shipping is being well-prepared before you begin completing your documentation.

To start, you will need the following information for all your shipping documents:

- A FedEx® account number
- The shipper's address and contact information
- The recipient's address and contact information

Start by asking yourself these questions:

- Where do I want to ship?
- What do I want to ship?

## Where do you want to ship?

Your shipment's destination country will help you determine the proper documentation, what duties and taxes will need to be paid and much more.

## What do you want to ship?

The contents of your shipment are just as important as its destination. The following will help you describe each item in your shipment accurately and determine which documents you will need to complete:

### 1. Provide an accurate description of your shipment contents.

Did you know that accurate descriptions of contents are essential for timely customs clearance? One of the most common reasons for customs delays is an inaccurate or vague shipment description. A consistent and detailed description of your shipment contents on all documents will help reduce customs delays.

#### What is a good description?

A good description must answer the following questions:

1. What is it?
2. How many are there?
3. What is it made from?
4. What is the intended use?



A detailed description on the [FedEx® International Air Waybill](#) and other customs documentation will help speed up the clearance time and reduce delivery time.

Poor Description (too vague)	Good Description (specific and detailed)
Parts	Two steel springs for woodworking machine.
Gift	One men's knitted sweater (100% cotton) — unsolicited gift.
Samples	200 cm x 400 cm nylon carpet sample for demonstration.
Documents	30 pages of legal documents.
Food	The word FOOD should be the first word in the description followed by a detailed description of the food items. (e.g., FOOD — one can of sliced peaches)
See Commercial Invoice	Provide a good summary of all items. The description on the air waybill should be as detailed as possible.

### 2. Determine which international shipping documents you will need to complete based on whether you are shipping a document or nondocument shipment.\*

Example of Document Shipment	Documents Required
<ul style="list-style-type: none"> <li>• Personal correspondence</li> <li>• Business correspondence</li> <li>• Business contracts</li> <li>• Invoices</li> </ul>	<b>FedEx Express®</b> <ul style="list-style-type: none"> <li>• FedEx International Air Waybill</li> </ul> <b>FedEx Ground®</b> <ul style="list-style-type: none"> <li>• FedEx Ground Shipping Label</li> <li>• Commercial Invoice<sup>†</sup></li> </ul>
Example of Nondocument Shipment	Documents Required
<ul style="list-style-type: none"> <li>• Parts (computer, machine)</li> <li>• Photographs</li> <li>• Clothing</li> </ul>	<b>FedEx Express</b> <ul style="list-style-type: none"> <li>• FedEx International Air Waybill</li> </ul> <b>FedEx Ground</b> <ul style="list-style-type: none"> <li>• FedEx Ground Shipping Label</li> <li>• Commercial Invoice<sup>†</sup></li> </ul>

\*Minimum documentation required.

<sup>†</sup>Include three copies with your shipment.

# What Documents are Required?

Accurate documentation is one of the most important elements in international shipping. Accurately completed paperwork will help your shipment reach its destination on time and reduce the risk of it being held by customs. In addition to the FedEx® International Air Waybill, the most commonly required documents for sending an international shipment include the Commercial Invoice, Certificate of Origin, Export Declaration (B13A form) and Free Trade Certificate. The details of your shipment will determine which documents are required. You can submit your customs documents electronically using FedEx® Electronic Trade Documents. To learn more, visit [fedex.ca/etd](http://fedex.ca/etd).

## 1. Commercial Invoice (CI)

A Commercial Invoice is required for the majority of nondocument international shipments and for all FedEx International Ground™ shipments.

*Instructions on how to complete a Commercial Invoice*

## 2. Certificate of Origin

The type of commodity you are exporting and its destination country determine if the Certificate of Origin is required. If you're uncertain whether you require a Certificate of Origin, call FedEx Customer Service at 1.800.GoFedEx 1.800.463.3339.

*Instructions on how to complete a Certificate of Origin*

## 3. Export Declaration (B13A Form)

A B13A form is a customs declaration required by the Canada Border Services Agency (CBSA) to report exports from Canada that are valued at CAD\$2,000 or greater destined to any country other than the U.S., Puerto Rico or the U.S. Virgin Islands. Please note there are some exceptions to these requirements. For more information, please visit the [CBSA Web site](http://CBSA Web site) or [fedex.ca/customs](http://fedex.ca/customs).

*Instructions on how to complete an Export Declaration (B13A form)*

## 4. Free Trade Agreements

**North American Free Trade Agreement (NAFTA)** facilitates the elimination or progressive reduction of tariffs between Canada, the U.S. and Mexico. The exemption or reduced tariff is applicable only to goods which qualify under the agreement as originating goods.

**Canada-Chile Free Trade Agreement (CCFTA)** facilitates the elimination of barriers to trade and cross-border movement of goods and services between Canada and Chile. The exemption or reduced tariff is applicable only to goods which qualify under the agreement as originating goods.

**Canada-Israel Free Trade Agreement (CIFTA)** facilitates the elimination of barriers to trade and the movement of goods between Canada and Israel to promote conditions of fair competition and increase investment opportunities in the free trade area. The exemption or reduced tariff is applicable only to goods which qualify under the agreement as originating goods.

**Canada-Costa Rica Free Trade Agreement (CCRFTA)** facilitates the elimination of barriers to trade and the movement of goods between Canada and Costa Rica. The exemption or reduced tariff is applicable only to goods which qualify under the agreement as originating goods.

**Canada-European Free Trade Association Free Trade Agreement (CEFTA)** facilitates the elimination or reduction of tariffs between Canada, Norway, Iceland, Switzerland and Liechtenstein. The exemption or reduced tariff is applicable only to goods which qualify under the agreement as originating goods.

*Instructions on how to complete a Free Trade Agreement*





# How to Complete a Certificate of Origin

The Certificate of Origin certifies the countries of manufacture for the items in your shipment. The type of commodity you're exporting and its destination country will determine whether a Certificate of Origin is required. For example, many countries require a Certificate of Origin for textiles (such as fabric and clothing) over a certain value.

CERTIFICATE OF ORIGIN CERTIFICAT D'ORIGINE		
EXPORTER - EXPORTATEUR	EXPORT MEMORANDUM AUTRES RENSEIGNEMENTS SUR L'EXPORTATION	EMBASSY/CONSULATE SEAL SCEAU D'AMBASSADE/CONSULAT
CONSIGNEE - DESTINAIRE	COMMERCIAL INVOICE NO. NO. DE LA FACTURE	DATE OF EXPORT DATE DE L'EXPORTATION
	EXPORTING CARRIER TRANSPORTEUR EXPORTATION	COUNTRY OF MANUFACTURE PAYS DE FABRICATION
	PARTICULARS OF TRANSPORT (WHERE REQUIRED) RENSEIGNEMENTS RELATIFS AU TRANSPORT (S.E. CAS ECHÉANTS)	
NAME OF SHIPPER / NOM DE L'ÉMETTEUR MARCHANDISES	QUANTITY QUANTITÉ	SPACE WEIGHT POIDS BRUT
<p>ISSUES TO ME THIS JOURS ÉMIS DEVANT MOI</p> <p>Signature Name of Authorized Trade Association - Nom de l'Association commerciale agréée</p> <p>The undersigned has examined the Manufacturer's invoice or Shipper's Affidavit concerning the origin of the merchandise, and according to the best of his knowledge and belief certifies that the products named herein are:</p> <p>Le soussigné a vérifié l'origine des marchandises déclarées à l'exportation et il certifie selon ses connaissances et sa conscience que les produits nommés ci-dessus sont:</p> <p>Authorized Signature / Fourni de signature</p>		

1. Provide the shipper's information.  
(Contact name, company name and complete address).
2. Provide the importer's information.  
(Contact name, company name and complete address).
3. Provide the producer's information.  
(Contact name, company name and complete address).
4. Provide the exporter's information.  
(Contact name, company name and complete address).
5. Record your FedEx® tracking number.
6. Include the country of manufacture.  
(Country of original manufacture for each item in your shipment).
7. Provide an accurate description of the contents in your shipment:
  - What is the item?
  - What materials is the item made of?
  - What is the Harmonized Code for the item?  
(Harmonized Codes are used by customs to determine the duties, taxes and clearance requirements for each item in your shipment.)
  - What is the item's intended use?
  - What are the part or serial numbers?
  - What is the item's value per unit and in total?

A detailed description will help reduce custom delays, so that your shipment arrives on time.

8. Sign and date your Certificate of Origin.  
Once you have ensured that all the information is consistent with all your other shipping documents, sign and date your Certificate of Origin.
9. Have your Certificate of Origin signed, sealed and notarized at your local chamber of commerce.

**Important:** Check if the destination country requires a Certificate of Origin and whether it needs to be notarized. The regulations vary per country.



# How to Complete an Export Declaration (B13A form)

A B13A form is a customs declaration required by the Canada Border Services Agency (CBSA) to report exports from Canada that are valued at CAD\$2,000 or greater destined to any country other than the U.S., Puerto Rico or the U.S. Virgin Islands. Please note that there are some exceptions to these requirements. When shipping controlled, prohibited and regulated goods, the CBSA requires permits, certificates or licenses prior to the goods leaving Canada.

You can submit and/or declare your Export Declaration (B13A form) or goods to Canada Customs in the following ways:

- a) Canadian Automated Export Declaration (CAED)/G7
- b) Summary Reporting
- c) Manual or Paper B13A form\*
- d) No B13A form Required (Exemptions)

FedEx® strongly encourages all customers to complete and transmit B13A information using the Canadian Automated Export Declaration (CAED) program. The CAED program is an electronic method that allows you to complete and transmit Export Declaration (B13A form) information directly to the Government of Canada. Here are the benefits:

- It is a fast and easy way to report goods
- It is available to you at no extra charge
- It provides you with a complete and accurate audit trail

For more information and to obtain a copy of the CAED application form, please visit the [Statistics Canada Web site](http://Statistics Canada Web site).

**\*For complete details and information on the Manual or Paper B13A form, please visit [fedex.ca/customs](http://fedex.ca/customs).**

The image shows a sample of the B13A Export Declaration form. It is a complex document with multiple sections and fields. Key sections include:
 

- Shipper Information:** Fields for shipper name, address, and contact details.
- Commodity Information:** A table with columns for 'Quantity', 'Description of articles', 'Country of origin', and 'Value'. It includes checkboxes for 'Controlled goods', 'Prohibited goods', and 'Regulated goods'.
- Destination Information:** Fields for destination name, address, and contact details.
- Declaration:** A section for the shipper to declare the accuracy of the information and sign the form.
- Footer:** The Canada Border Services Agency (CBSA) logo and contact information.



# How to Complete a Free Trade Agreement — Certificate of Origin

Canadian exporters doing business under a Free Trade Agreement must complete a Certificate of Origin in order for the importer in a foreign country to be able to claim preferential tariff treatment.

## Free Trade Agreements

- North American Free Trade Agreement (NAFTA)
- Canada-Chile Free Trade Agreement (CCFTA)
- Canada-Israel Free Trade Agreement (CIFTA)
- Canada-Costa Rica Free Trade Agreement (CCRFTA)
- Canada-European Free Trade Association Free Trade Agreement (CEFTA)

The exporter must retain one copy of the certificate and send the other to the importer.

## Blanket Certificates of Origin (NAFTA/CCFTA/CIFTA/CCRFTA/CEFTA)

Blanket certificates are issued to cover multiple imports of the same commodity for a specific period of time not to exceed 12 months.

**NORTH AMERICAN FREE TRADE AGREEMENT  
CERTIFICATE OF ORIGIN**  
(Instructions Attached)

**1** Exporter's Name and Address: \_\_\_\_\_  
**2** Ship Date: From (DD-MM-YY) To (DD-MM-YY)

**3** Producer's Name and Address: \_\_\_\_\_  
**4** Importer's Name and Address: \_\_\_\_\_

5	6	7	8	9	10
Description of Goods	HS Code Classification Number	Preference Criterion	Producer	Net Cost	Country of Origin

**11** I certify that:  
 - the information on this document is true and accurate and I assume the responsibility for proving such representations. I understand that I am liable for any false statements or material omissions made on or in connection with this document.  
 - I agree to maintain, and present upon request, documentation necessary to support this Certificate, and to inform, in writing, all persons to whom the Certificate was given of any changes that would affect the accuracy or validity of this Certificate.  
 - the goods originated in the territory of one or more of the Parties, and comply with the origin requirements specified for those goods in the North American Free Trade Agreement, and unless specifically exempted in Article 811 or Annex 811, there has been no further production or any other operation outside the territories of the Parties and  
 - this Certificate consists of \_\_\_\_\_ pages, including all attachments.

Authorized Signatory: \_\_\_\_\_ Company: \_\_\_\_\_  
 Name: \_\_\_\_\_ Title: \_\_\_\_\_  
 Date (DD-MM-YY): \_\_\_\_\_ Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

8232 © (20) (La Version en français se trouve à l'annexe) 838734-0 Canada

1. Provide the shipper's information.  
(Contact name, company name and complete address).
2. Provide the producer's information.  
(Contact name, company name and complete address).
3. Provide the exporter's information.  
(Contact name, company name and complete address).
4. Provide the importer's information.  
(Contact name, company name and complete address).
5. Record your FedEx® tracking number.
6. Include the country of manufacture.  
(Country of original manufacture for each item in your shipment).

### Provide an accurate description of the contents in your shipment:

- What is the item?
- What materials is the item made of?
- What is the Harmonized Code for the item?  
(Harmonized Codes are used by customs to determine the duties, taxes and clearance requirements for each item in your shipment.)
- What is the item's intended use?
- What are the part or serial numbers?
- What is the item's value per unit and in total?

7. Indicate the Preference Criteria for each item (Field 7).  
Is your shipment entitled to preferential tariff treatment? In order to qualify for preferential tariff treatment you are required to complete Field 7, stating the criterion as applicable. Use the descriptions on the reverse side of the Certificate of Origin to determine which criterion applies.
8. Complete all other necessary fields.
9. Sign and date your "Free Trade" Certificate of Origin.  
Once you have ensured that all the information is consistent with all your other shipping documents, sign and date your Certificate of Origin.

**Important:** In some countries, the Certificate of Origin must be notarized. Check the requirements for the destination country.

# Frequently Asked Questions

About the North American Free Trade Agreement (NAFTA)

## 1. What are the NAFTA rules of origin?

Each NAFTA country retains its external tariffs vis-à-vis nonmembers' goods and levies a lower tariff on the goods "originating" from the other NAFTA members. The rules of origin provide the basis for customs officials to make determinations about which goods are entitled to preferential tariff treatment under the NAFTA. Negotiators of the agreement sought to make the NAFTA rules of origin very clear to provide certainty and predictability to producers, exporters and importers. In addition, they sought to ensure that the NAFTA benefits are not extended to goods exported from non-NAFTA countries, which have undergone only minimal processing in North America. For more information on the NAFTA rules of origin, please view the *"Trilateral Customs Guide to NAFTA"*.

## 2. Where can I obtain a NAFTA Certificate of Origin?

NAFTA Certificates of Origin are available at any Canada Customs office. They can also be obtained from the Canada Border Services Agency Web site. The form number is [B232](#).

## 3. How does the NAFTA affect the tariff rates between Canada and the U.S.?

The NAFTA did not affect the phase-out of tariffs, which had been agreed upon under the Canada-U.S. Free Trade Agreement (FTA). The phase-out of FTA tariffs was completed on Jan. 1, 1998. As of that date, virtually all tariffs on Canada-U.S. trade in originating goods were eliminated. Some tariffs remain in place for certain products in Canada's supply-managed sectors (e.g., eggs, dairy and poultry products). In the U.S., tariffs remain in place for certain products such as sugar, dairy, peanut and cotton.

## 4. How does the NAFTA affect the tariff rates between Canada and Mexico?

On Jan. 1, 2003, the final tariff reduction in the Canada-Mexico phase-out schedule was done. The Mexican Administration showed its commitment to the NAFTA by proceeding with the tariff cuts in the face of significant political opposition from certain sectors. Another good example of our commitment to further trade liberalization through NAFTA is the amendment of rules of origin for certain products, including petroleum/topped crude oil, which was implemented on Jan. 1, 2003. These changes make it easier for manufacturers of these products to qualify for duty-free treatment under the NAFTA.

## 5. How can I find out which national tariffs apply under the NAFTA for different originating goods?

To determine Canadian tariff rates, consult the [Canada Border Services Agency Web site](#).

For U.S. rates, consult the [U.S. International Trade Commission Web site](#). Mexico's NAFTA tariff schedule is posted on their e-CONOMIA Web site.

## 6. How can I obtain information on NAFTA customs procedures?

Additional information on the NAFTA is available in the U.S. Customs publication entitled *"NAFTA: A Guide to Customs Procedures"* and The Canada Border Services Agency publication entitled *"Trilateral Customs Guide to NAFTA"*.

Further information can also be obtained by contacting the customs administrations directly:

**U.S.** — The U.S. Customs and Border Protection Agency has information on practical aspects of the [NAFTA](#). If you prefer to direct a NAFTA question to the U.S. Customs Service via telephone, contact a local U.S. Customs Port. [Contact information for U.S. Customs Service Ports](#).

**Mexico** — For information concerning imports into Mexico, call the Subsecretaría de Negociaciones Comerciales Internacionales (SECOFI) NAFTA Desk at 1.202.728.1700.

**Canada** — The Canada Border Services Agency Web site has answers to frequently asked questions regarding NAFTA customs requirements, including how to complete the NAFTA Certificate of Origin and importing by mail or courier.

The Canada Border Services Agency Web site ["International Trade Agreements — NAFTA"](#) contains important information for businesses importing and exporting in the NAFTA region.

[The Canada Border Services Agency \(CBSA\) Web site](#) provides access to a library of technical customs documents on topics such as rules of origin and uniform regulations.

# FedEx<sup>®</sup> Electronic Trade Documents

Say goodbye to the clutter of customs documentation, and hello to streamlined electronic international shipping.

FedEx<sup>®</sup> Electronic Trade Documents (ETD) is an international shipping solution that allows you to submit your customs documentation electronically, so you no longer need to print multiple copies — it's all automated when you process your shipments using FedEx Ship Manager™ at [fedex.ca](http://fedex.ca), FedEx Ship Manager™ Software or FedEx Web Services.

You can choose to either electronically submit your own customs documents, or take advantage of FedEx-generated documents. The choice is yours. Plus, you have the ability to customize your FedEx-generated documents by adding your company letterhead and signature images.

## Increasing operational efficiency

ETD supports operational efficiencies by helping you save paper and reducing your printing costs. Plus, when you submit your documents electronically, you can take advantage of other time-saving features like the ability to create, save and re-use your trade and customs documentation.

The efficiencies don't end there, though. ETD also helps you save money by streamlining the processing time for your international shipments, as well as minimizing the labour costs associated with completing customs documentation.

## Providing additional peace of mind

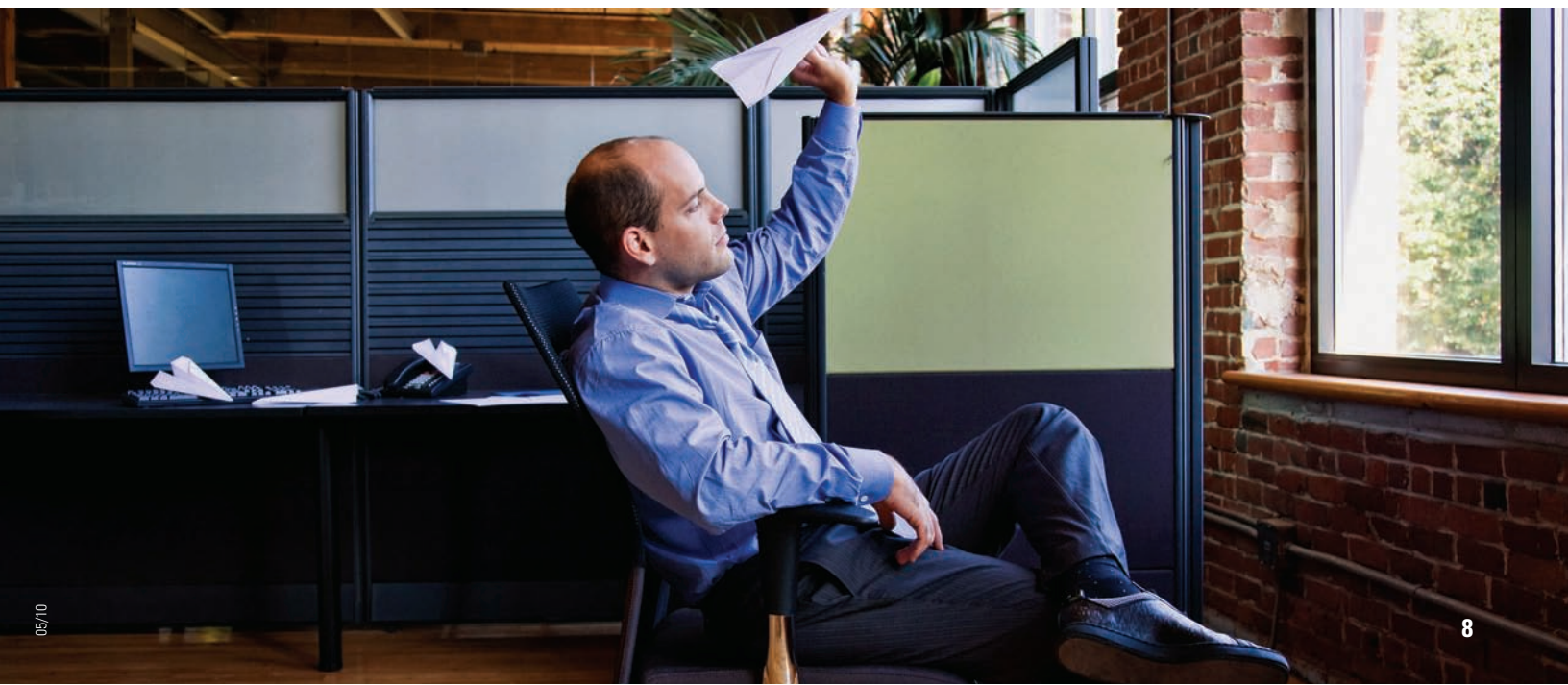
ETD optimizes the customs clearance process by allowing for earlier broker review of your trade and customs documents. As a result, you'll be notified quickly about any missing information, or if any additional documentation is needed. You'll have additional time to resolve any potential shipment issues, thus reducing the chance of customs delays. So, rest easy and submit your customs documents electronically.

## Reducing your carbon footprint

As an added bonus, ETD is a sustainable solution that helps you save paper and reduce your printing costs.

## Getting Started

Want to learn more about FedEx Electronic Trade Documents? To view a demo and to learn how to get started using our Interactive Help Guides, go to [fedex.ca/etd](http://fedex.ca/etd).



# Understanding Duties and Taxes

It is important to consider the effects of duties, taxes, port handling fees and other customs charges when determining your shipment's total shipping charges. Depending on the content of your shipment and the destination country, customs charges will affect the price the recipient is willing to pay for your product. Being able to calculate and communicate the "landed" cost up-front can often save both you and the recipient valuable time and money.

## Duties and Taxes

Almost all shipments crossing international borders are subject to the assessment of duties and taxes imposed by the importing country's government. Duties and taxes are imposed to generate revenue, protect local industries against foreign competition or both. The duties and taxes normally must be paid *before* the goods are released from customs. A shipment's duty and tax amount may be based on:

- Product value
- Trade agreements
- Country of manufacture
- Use of the product
- The product's Harmonized System (HS) code

Customs officials assess duties and taxes based on information provided on the air waybill, the Commercial Invoice and other relevant documents.

### **Value-Added Tax (VAT) or Goods and Services Tax (GST)**

A VAT is a general consumption tax assessed on the value added to goods and services. In some countries, including Singapore, Australia, New Zealand and Canada, this tax is known as the goods and services tax or GST. Because this is a tax on consumer expenditure, businesses that are VAT-registered and fully taxable do not bear the final costs of VAT. Every member state of the European Union (EU) has a VAT. A VAT is typically assessed on the "duty paid value" of the goods (which equals the cost of the goods, insurance and freight (CIF) plus duty). To see EU-specific VAT rates, please visit the [European Commission \(EC\) Taxation and Customs Union Web site](#).

**Please note:** As per the contract of carriage with FedEx®, the shipper is ultimately liable for any duties and taxes assessed on the shipment. If the recipient refuses the package or the recipient or third party FedEx account holder refuses to pay for duties and taxes, the original shipper will be billed for duties and taxes.

## Paying Duties and Taxes

### **FedEx Advancement Fee:**

In some circumstances FedEx is required to pay certain duties and taxes, in advance, on our customers' behalf. For instance, FedEx may pay an advance fee when countries require that duties and taxes be paid prior to customs' release or prior to certain items clearing customs. In these circumstances, FedEx will assess an Advancement Fee surcharge that will be billed to you, the shipper or to the party designated to pay duties and taxes.

### **Responsible Party:**

Duties and taxes on international shipments will be billed automatically to the recipient, unless the shipper requests that FedEx bill the shipper or a third party. When completing the FedEx® International Air Waybill or FedEx® Expanded Service International Air Waybill, you can select the shipper, the recipient or a third party as the party responsible for payment.

### **Non-FedEx Account Holders:**

Prepayment of duties and taxes before release to the recipient may be required if the recipient does not have a valid FedEx account number or a FedEx account in good credit or standing.

Shipments will be held at the destination station until payment arrangements are made or the FedEx Credit department has authorized release of the shipment.

# Determining Duties and Taxes

## Step 1

The first step in determining duty and tax information for your shipment is to identify the Harmonized System (HS) code associated with your product. The Harmonized Commodity Description and Coding System was developed and is maintained by the World Customs Organization (WCO) to standardize trade between its member countries. This coding system ensures that customs officials all around the world are referring to the same item when classifying a product and applying a tariff rate. The HS assigns six-digit codes that represent general categories of goods. For example, 6910.10 is the HS code for ceramic sinks, washbasins, washbasin pedestals, baths, bidets, water closet bowls, flush tanks, urinals and similar sanitary fixtures made of porcelain or china.

All member countries use the HS use the same six-digit code for each product. However, a country can assign its own additional four numbers, making the entire code 10 digits. The Harmonized System is based on a fundamental principle that goods are classified by what they are and not according to their stage of fabrication, use or origin of the goods.

## Step 2

The second step is to use this information to calculate the estimated duties and taxes and other fees that may be levied against your international shipment. As a Canadian exporter, you need to know the HS codes for your product before calculating the duties and taxes because:

- The HS code is needed to look up duties and taxes
- The HS code is needed to determine whether a product qualifies for a preferential tariff under the North American Free Trade Agreement (NAFTA) or other similar trade agreements.

You can also classify and estimate costs for your shipment using the online resources at the [U.S. International Trade Administration Web site](#).

## Calculating Duties and Taxes

Most countries use the CIF (Cost, Insurance and Freight) method to calculate duty charges. CIF is a pricing term that means the cost of the goods, insurance and freight (shipping charge) are included in the quoted price. The total duty and tax charge is calculated by adding all costs together. (For more information about VAT, see the [Value-Added Tax section](#).)

For example:

### To the U.S.

Value of Goods*	US\$2290
Duty Rate (7%)	US\$160.30
Merchandise Processing fee	US\$25.00
Advancement fee	US\$5.21
Total Landed Price	US\$190.51
Convert to Canadian dollars	CAD\$189.56

### Inbound to Canada

Value of Goods*	CAD\$2290
Duty Rate (7%)	
Duty Charge	CAD\$160.30
Duty Paid Value	CAD\$2450.30
GST (5%)	CAD\$122.52
Total Duty and Tax	CAD\$282.82
Advancement fee	CAD\$8.30
Total Landed Price	CAD\$291.12

### To Europe

Value of Goods*	US\$932
Insurance Charge	US\$16
Freight Charge	US\$52
Total CIF Value	US\$1,000
Duty Rate (7%)	x.07
Duty Charge	US\$70
Total Duty and Tax	US\$1,070
VAT (18%)	x.18
VAT Charge	US\$192.60
Total Landed Price	US\$1,262.60
Convert to Canadian dollars	CAD\$1256.29

\*Conversion rates may fluctuate.

# Declared Value for Customs and Duties and Taxes

## Gift Exemption for Duties and Taxes

Many countries and economies allow gifts to enter the country duty-free if the value of the gift is less than a certain amount. Any amount above the stated value may be subject to import duties and taxes.

### Here are some examples:

- The United Kingdom: No duties and taxes are assessed if the value of the gift is less than £36 GBP (US\$68)\*. Convert to Canadian dollars if Canadian Payer.
- Canada: No duties and taxes are assessed if the value of the gift is less than CAD\$60 (US\$60.30)\*.
- India: No duties are assessed if the value of the gift is less than 10,000 INR (US\$230)\*. Convert to Canadian dollars if Canadian Payer.

\*Conversion rates may fluctuate.

### To qualify as a gift, your shipment should meet the following requirements:

- The shipping documentation must be clearly marked "GIFT" and include a detailed description of the commodity.
- The total value of the shipment must not exceed the values listed in the above examples.
- In some countries, the shipment must be sent person to person — with no company involvement or indication of involvement on the shipping documentation.

For additional information regarding gift exemptions for other countries, call FedEx Customer Service at 1.800.GoFedEx 1.800.463.3339.



Customs officials use a shipment's declared value (the value the shipper declares on the goods being shipped), along with the description of the goods, to determine duties and taxes. It is important to ensure that the declared value claimed is accurate. **Inaccurate declared value is one of the most prevalent reasons for duty and tax disputes.**

A shipment's declared value represents the selling price or fair market value of the contents of the shipment, even if not sold. This value is identified on the FedEx® International Air Waybill and the FedEx® Expanded Service International Air Waybill as the "Total Value for Customs," and it must be consistent with the value shown on the Commercial Invoice.

## Commodity Descriptions and Duties and Taxes

Incomplete or inaccurate content descriptions and leaving out individual item values are the most common errors on the Commercial Invoice. Consider these tips in order to minimize customs delays and to avoid added duties and taxes that are often applied when a commodity description is misinterpreted.

### Pay attention to the "big three."

Tariff tables are based primarily on three factors, so ensure that all three are clearly addressed in your commodity description.

- What an item is
- What it is made of
- What it is used for

Avoid abbreviations. "Cxl cbl" might mean "coaxial cable" inside your organization. However, for a customs official, especially one halfway around the world, it will have little meaning.

Be specific. "Metal parts for hydraulic valves" is better than "machine tools." Also, use generic names in addition to trade names.

Poor Description (too vague)	Good Description (specific and detailed)
Parts	Two steel springs for woodworking machine.
Gift	One men's knitted sweater (100% cotton) — unsolicited gift.
Samples	200 cm x 400 cm nylon carpet sample for demonstration.
Documents	30 pages of legal documents.
Food	The word FOOD should be the first word in the description followed by a detailed description of the food items. (e.g., FOOD — one can of sliced peaches)
See Commercial Invoice	Provide a good summary of all items. The description on the air waybill should be as detailed as possible.

# Temporary Import or Export

Many countries allow tax relief (either duties and tax exemption upon entry or a refund after exportation) for items that are temporarily imported or exported, as long as certain conditions are met and procedures are followed. For instance, items are often temporarily imported or exported for:

- Tradeshows
- Conventions
- Training
- Assembly
- Processing
- Re-export after resale
- Repair or replacement of damaged goods

The customs clearance services included as part of FedEx® international services are meant to facilitate the import of goods intended for consumption in that country. Therefore, they do not include some special procedures that might be needed to meet governmental requirements for duties and tax relief at the time of export or import.

## Processing a Temporary Import

Special procedures and documentation are often necessary to properly process a shipment that is to be imported temporarily. The procedures vary depending upon a number of factors including:

- The origin and destination of the shipment
- The classification of goods
- The value of goods
- The origin of goods (country of manufacture)

## Problems with Temporary Import Shipments

In many instances, the two most common errors concerning temporary shipments are:

- Failing to indicate on the shipping documentation that the shipment is a temporary import.
- Failing to properly document and re-export or destroy the articles. When this happens, the bond or security deposit is forfeited and the importer bears the duty and tax expense.

## What Should a Canadian Exporter Do?

Many, but not all, temporary import and exports require some type of controlled import and/or export processing and therefore they cannot be accepted on FedEx door-to-door international services. However, these shipments are acceptable for FedEx air cargo services.

## What Should a Canadian Importer Do?

If a shipment has been transported to Canada via FedEx Express® and it is identified as a temporary import shipment prior to customs release, FedEx Express will detain the shipment and contact the importer advising them of this service restriction. At that time, the importer will be given the option to return the shipment to the original shipper or have the shipment sent in-bond to a designated broker.

## FedEx Ancillary Service Fees for Special Clearance

FedEx may incur additional time or expense when clearing an import shipment due to the commodities being imported or special brokerage processing. To recover costs passed on to FedEx by the regulatory agency for regulatory filing or by customs brokers for special processing, FedEx charges ancillary service fees. We may apply these fees to both Canadian and non-Canadian shippers. To see a complete listing of ancillary service fees assessed in the countries and regions FedEx serves (including the U.S., Canada, Europe, the Middle East and Africa; Latin America, the Caribbean, Asia and the Pacific region), please visit [fedex.ca/ancillary](http://fedex.ca/ancillary).

For additional information regarding FedEx services or restrictions, please call FedEx Customer Service at 1.800.GoFedEx 1.800.463.3339.



# FedEx® Online Shipping Tools To Help You Process Your Shipment

FedEx online shipping tools and information help you save time and manage your international shipping.

Once you have gathered the necessary preliminary information, reviewed the main international shipping documents (Commercial Invoice, Certificate of Origin, Export Declaration (B13A form), Free Trade Agreements, Certificate of Origin), and learned about duties and taxes, you're ready to prepare your shipping label. You can do this online, using FedEx Ship Manager™ at [fedex.ca](http://fedex.ca).

The following interactive tools are all you need to:

- Prepare your shipping label (with help from FedEx Ship Manager at [fedex.ca](http://fedex.ca))
- Complete the right documentation
- Convert currency

## **FedEx Ship Manager at [fedex.ca](http://fedex.ca)**

You can simplify and streamline your shipping process by using FedEx Ship Manager at [fedex.ca](http://fedex.ca), our online shipping application. To learn how to create shipping labels, build an online address book, receive shipment notifications via e-mail, track your shipments, customize shipping history reports, check rates and much more, visit [fedex.ca/help](http://fedex.ca/help).

## **FedEx eNewsletter**

It includes regulatory updates, news and shipping tips that you will need to make your international shipping process more efficient.

## **FedEx Document Preparation Centre**

Save and manage commonly used customs documents online. Save partially completed documents, and create a document profile to save and re-use the customs documents associated with a specific shipment.

## **Universal Currency Converter**

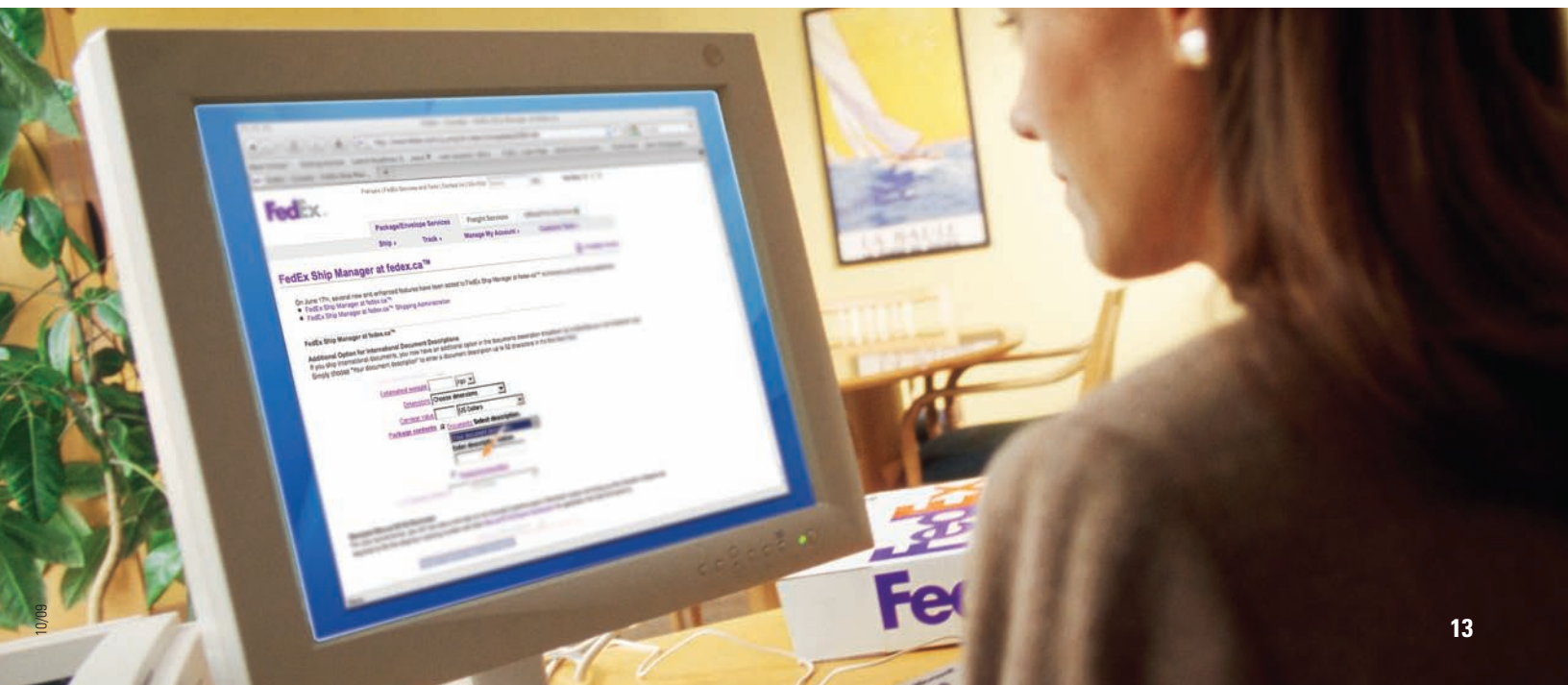
Get daily-updated currency exchange rates using this interactive calculator.

## **Measurement Converter**

Convert measurements to take the guesswork out of shipping globally.

## **Worldwide Holidays**

Plan your shipment's arrival date around important observed holidays from country to country, using this simple tool.



# FedEx® Shipping Services at a Glance

FedEx connects you to major global markets with reliable world-class shipping. Whether you're shipping documents,

packages, freight or dangerous goods — you can rely on FedEx. For a complete listing of our international shipping services, please visit [fedex.ca](http://fedex.ca).

## International Services

Delivery By*	Service	Service Description**
Within hours <i>(depending on availability)</i>	<a href="#">FedEx International Next Flight®</a>	<ul style="list-style-type: none"> <li>• 7 days a week, 365 days a year, including weekends and holidays</li> <li>• Service to more than 220 countries and territories</li> <li>• Door-to-Door, customs-cleared service</li> </ul>
Next business day by 8 a.m. to the U.S. Second business day to select European centres	<a href="#">FedEx International First®</a>	<ul style="list-style-type: none"> <li>• Monday to Friday service</li> <li>• Service to major U.S. locations and major European centres in Belgium, France, Germany, Italy, the Netherlands, Spain, Switzerland and the U.K.</li> <li>• Door-to-Door, customs-cleared service</li> </ul>
1 to 3 business days	<a href="#">FedEx International Priority™</a>	<ul style="list-style-type: none"> <li>• Monday to Friday service</li> <li>• Service to more than 220 countries and territories</li> <li>• Door-to-Door, customs-cleared service</li> <li>• Select Saturday service</li> </ul>
2 to 5 business days	<a href="#">FedEx® International Economy</a>	<ul style="list-style-type: none"> <li>• Monday to Friday service</li> <li>• Service to more than 220 countries and territories</li> <li>• Door-to-Door, customs-cleared service</li> <li>• Select Saturday service</li> </ul>
1 to 3 business days	<a href="#">FedEx® International Priority Freight</a>	<ul style="list-style-type: none"> <li>• Monday to Friday service for palletized freight more than 150 lbs. (68 kg)</li> <li>• Service to more than 130 countries and territories</li> <li>• Door-to-Door, customs-cleared service</li> <li>• Select Saturday service</li> <li>• Advance confirmation required</li> </ul>
2 to 5 business days	<a href="#">FedEx® International Economy Freight</a>	<ul style="list-style-type: none"> <li>• Monday to Friday service for palletized freight more than 150 lbs. (68 kg)</li> <li>• Service to more than 130 countries and territories</li> <li>• Door-to-Door, customs-cleared service</li> <li>• Select Saturday service</li> <li>• Advance confirmation required</li> </ul>
1 to 3 business days <i>(depending on availability)</i>	<a href="#">FedEx International Premium™</a>	<ul style="list-style-type: none"> <li>• Monday to Friday service for palletized freight more than 150 lbs. (68 kg)</li> <li>• Service to more than 30 countries</li> <li>• Airport-to-Airport, customs-cleared service</li> </ul>
1 to 3 business days	<a href="#">FedEx® International Express Freight</a>	<ul style="list-style-type: none"> <li>• Monday to Friday service for palletized freight more than 150 lbs. (68 kg)</li> <li>• Service to countries in North America, Europe, Middle East and Asia</li> <li>• Select Saturday service</li> </ul>
2 to 4 business days	<a href="#">FedEx International Priority DirectDistribution® Freight</a>	<ul style="list-style-type: none"> <li>• Monday to Friday service</li> <li>• Canada to U.S. only</li> <li>• Airport-to-Airport, customs-cleared service</li> </ul>
2 to 7 business days	<a href="#">FedEx International Ground™</a>	<ul style="list-style-type: none"> <li>• Monday to Friday service</li> <li>• Complete coverage to business addresses throughout the U.S., including Alaska and Hawaii</li> </ul>
2 to 4 business days	<a href="#">FedEx International Priority DirectDistribution®</a>	<ul style="list-style-type: none"> <li>• Monday to Friday service</li> <li>• Service to the U.S. and more than 50 countries and territories</li> <li>• Contract-only service</li> </ul>
1 to 3 business days via FedEx Express® 1 to 5 business days via FedEx Ground®	<a href="#">FedEx® International DirectDistribution Surface Solutions</a>	<ul style="list-style-type: none"> <li>• Service to the U.S., including Alaska and Hawaii</li> <li>• Up to 2,200 lbs. (997 kg) per package or more with prior approval</li> </ul>

\*Some restrictions apply. For more details, see [FedEx Service Guide Terms and Conditions](#).

\*\*Check transit times specific to your shipment destinations.

# Additional Online Resources

To obtain additional information regarding your international shipments and for specific government regulations, duties or policies, you can use these helpful online resources.

## [Canada Border Services Agency](#)

- Application and Collection of Duty and Taxes
- Enforcement of Import and Export Regulations for Various Departments

## [Health Canada](#)

- Development of Health Policies
- Enforcement of Health Regulations

## [Export and Import Controls Bureau \(EICB\)](#)

- Administration of EICB
- Protect Vulnerable Canadian Industries
- Implement Trade Restrictions
- Control Trade of Dual-Use Goods
- Control Trade of Munitions

## [Canadian Food Inspection Agency](#)

- Consumer Protection and Food
- Policy Coordination

## [Canadian Standards Association](#)

- Canadian Standards Certifiers

## [Food and Drug Administration \(FDA\)](#)

- Foodstuffs and Equipment
- Pharmaceuticals
- Cosmetics
- Medical Equipment
- Laser-radiation Devices



# International Shipping Checklist

✓ **Determine if you can ship your commodity.**  
Many countries have restrictions regarding what commodities may be shipped to and from their country as well as what services may be used to ship those commodities. Please call 1.800.GoFedEx 1.800.463.3339 for more information.

✓ **Complete all necessary forms.**  
**FedEx® International Air Waybill (IAWB)**  
The FedEx International Air Waybill is the primary shipping document for most FedEx® international shipments. You can complete the FedEx International Air Waybill, using FedEx Ship Manager™ at fedex.ca, our shipping application.

#### **Other International Documents**

The documents you need for your shipment will vary. FedEx can help you [find international documents](#).

✓ **Prepare your documents for shipping.**  
Include complete contact information for the shipper and recipient on all documentation. Do not forget to include your recipient's postal code. The four most common documents used for international shipping from Canada are:

- Commercial Invoice
- Certificate of Origin
- Export Declaration (B13A form)
- Free Trade Agreements

✓ **Ensure your information is accurate and consistent across all required documents to prevent delays.**  
Underestimated Duties and Taxes calculations could result in additional landed costs.

- What is the item (such as a four-slot electric toaster or a queen-size duvet cover)?
- What materials is the item made of (such as glass, 100% cotton, steel)?
- What is the intended use?
- What are the parts or serial numbers?
- What is the item's value per unit and in total?

Ensure the declared value for customs reflects an accurate value.

✓ **Specify the country of manufacture.**  
(The country of original manufacture for each item in your shipment).

✓ **Sign and date your documents.**

✓ **Record your FedEx tracking number.**

## Tips to Avoid Customs Clearance Delays

- Correctly complete all necessary documents, keeping your answers specific, accurate and free of spelling errors.
- Keep your information consistent on all documents.
- List each commodity separately, providing a detailed and accurate description of each commodity, including what it is made of and how it will be used.
- Print the commodity's country of origin or manufacture, as well as where your commodity was manufactured, grown or produced.
- Provide a contact phone or fax number for the sender and recipient.

**NOTE:** When your shipment contains only paper documents (printed or typed communications with no monetary value), you will only need your FedEx International Air Waybill for FedEx Express® shipments or Commercial Invoice for FedEx Ground® shipments.

# Glossary



## **Assessment of Duties and Taxes**

Determining the amount of duties and taxes payable.

## **Certificate of Origin**

A document that certifies the country where the product was made (i.e., its origin). A common export document, a Certificate of Origin is needed when exporting to many foreign markets. It is required when claiming preferential tariff treatment for goods that are shipped to a free trade partner.

## **Commercial Invoice (CI)**

A document prepared by the exporter or freight forwarder, and required by the foreign buyer, to prove ownership and arrange for payment to the exporter. It should provide basic information about the transaction, including description of goods, address of shipper and seller as well as delivery and payment terms. In some cases, the Commercial Invoice is used to assess customs duties.

## **Cost and Freight (C&F)**

The exporter pays the costs and freight necessary to get the goods to the named destination. The risk of loss or damage is assumed by the buyer once the goods are loaded at the port of embarkation.

## **Cost, Insurance and Freight (CIF)**

The exporter pays the cost of goods, cargo and insurance plus all transportation charges to the named port of destination.

## **Country of Origin of Goods**

Country of origin in which the goods have been produced or manufactured.

## **Customs**

The government service that is responsible for the assessment of import and export duties and taxes and administration of other laws and regulations that apply to the importation, transit and exportation of goods.

- This term is also used when referring to any part of the customs service or its main or subsidiary offices.
- This term is also used adjectivally in connection with customs officials, import or export duties control on goods, or any other matter within the purview of customs (customs officer, customs duties, customs office, customs declaration).

# Glossary

Continued

## **Customs Declaration**

A document that traditionally accompanies exported goods bearing such information as the nature of the goods, their value, the recipient and their ultimate destination. Required for statistical purposes, it accompanies all controlled goods being exported under the appropriate permit.

## **Customs Invoice**

A formal document used to clear goods through customs in the importing country by providing pertinent shipment information including, but not limited to, country of origin, description and value.

## **European Union (EU)**

A group of 27 democratic, primarily European, countries that are committed to ensuring the freedom of movement of goods and services through standardized laws.

## **Export**

A shipment transported out of a country.

## **Export Control List**

A list of goods and technologies that require export permits to be exported from Canada, pursuant to the Export and Import Permits Act.

## **Export Permit**

A legal document that is necessary for the export of goods controlled by the government of Canada, specifically goods included on the Export Control List (see above) or goods destined for countries on the Area Control List.

## **Export Quotas**

Specific restrictions or ceilings imposed by an exporting country on the value or volume of certain exports to protect domestic producers and consumers from temporary shortages of the goods affected or to bolster their prices in world markets.

## **Foreign Trade Zone (FTZ)**

An area within the U.S. that is legally considered outside of U.S. customs territory.

## **Free on Board (FOB)**

The goods are placed on board the vessel by the seller at the port of shipment specified in the sales contract. The risk of loss or damage is transferred to the buyer when the goods pass the ship's rail.

## **Harmonized System (HS)**

A universally accepted classification system for trade goods.

## **Import**

A shipment brought in from a foreign country.

## **Pro Forma Invoice**

An invoice prepared by the exporter prior to shipping the goods, informing the buyer of the goods to be sent, their value and other key specifications.

## **Tariff**

A duty (or tax) levied on goods transported from one customs area to another. Tariffs raise the prices of imported goods, thus making them less competitive within the market of the importing country. Under the North American Free Trade Agreement, most duties on goods qualifying as NAFTA-originating and services from Canada to the U.S. and Mexico have been eliminated.

## **Value Added Tax (VAT)**

Assessed on the value added to goods and services. The value added tax is imposed throughout the European Union and European Free Trade Association (EFTA) countries and many other trading nations.

## **World Trade Organization (WTO)**

The WTO is the only global international organization dealing with the rules of trade between nations. At its heart are the WTO agreements, negotiated and signed by the bulk of the world's trading nations and ratified in their parliaments. The goal is to help producers of goods and services, exporters, and importers conduct their business.

