



FedEx Regulatory Alerts & Updates

Regulatory Alert: Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

January 14, 2019

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership is a free trade agreement between Canada and ten other countries in the Asia-Pacific and Latin American regions: Australia, Brunei, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. CPTPP received Royal Assent on October 25, 2018, and came into force on December 30, 2018, for the first six countries to have ratified the agreement — Australia, Canada, Japan, Mexico, New Zealand, and Singapore. Additionally, the agreement entered into force for Vietnam on January 14, 2019.

Under the CPTPP, customs duties will immediately be eliminated or reduced on almost all imports between the participating countries. The duties on some agricultural goods and on a few other products will be eliminated or reduced through an agreed upon tariff phase-out period. Please see the consolidated text of the [CPTPP agreement](#) for more detail on the tariff elimination schedule for each country.

Proof of Origin

In order to claim the preferential tariff treatment, a set of data elements referred to as a 'certification of origin' must be provided by the exporter, producer or importer of the goods by adding the information to any document (e.g., Commercial Invoice) accompanying the shipment or if preferred, by providing it on a separate document. The data elements do not have to follow a prescribed format but must contain the minimum data elements listed below. In addition, the imported goods must originate and be exported from a CPTPP ratified country.

1. Indicate the Certifier (Importer, Exporter or Producer)
2. Name, Address and Contact Information of the Certifier
3. Name, Address and Contact Information of the Exporter (if different from the certifier)
4. Name, Address and Contact Information of the Producer (if different from the certifier, or exporter)
5. Name, Address and Contact Information of the Importer
6. Description and HS Tariff Classification for the Goods
7. Origin Criterion for the Goods
8. Blanket Period
9. Authorized Signature and Date

Note: The certification of origin must be signed and dated by the Certifier and accompanied by the following statement:

"I certify that the goods described in this document qualify as originating and the information contained in this document is true and accurate. I assume responsibility for proving such representations and agree to maintain and present upon request or to make available during a verification visit, documentation necessary to support this certification."

For full details regarding the minimum data requirements for the certification of origin, please refer to [Annex 3-B](#) of the CPTPP agreement.

Important Information

- **Commercial goods.** In general, products valued less than \$1,000 do not require a certification of origin to claim CPTPP preferential tariff treatment. In this scenario, it is important to note that the value threshold and required information could differ for each participating country (e.g., Canada enforces a CA\$1,600 threshold and requires a signed statement by the importer, exporter or producer certifying that the goods originated from a CPTPP country).
- **Personal/Casual goods.** The country of origin, for goods other than for sale or for commercial use, must be from a CPTPP country and clearly marked on any accompanying supporting documents (e.g., Commercial Invoice and Air waybill) to benefit from the preferential tariff treatment. In addition, there must be no marks to indicate that the goods are not a product of a CPTPP country.
- **CPTPP preferential tariff treatment.** This will reduce or eliminate duties but does not affect import taxes. All applicable taxes will be assessed accordingly.
- **Tariff Rate Quotas (TRQ).** Quota limits are still in effect for many agriculture products and will differ for each participating country (e.g., personal importations of cheese and some dairy products into Canada are limited to CA\$20 per person).

Benefits

- **Improved access for trade.** CPTPP provides companies access to key foreign markets that represent 495 million people and 13.5% of the global GDP.
- **Increased savings.** CPTPP will eliminate or reduce tariffs (duties) on almost all commodities and lessen non-tariff barriers.
- **Streamlined regulation.** CPTPP will establish a framework for trade in the Asia-Pacific region that will make it easier for countries to transact business with each other.
- **Foreign Investment.** CPTPP will allow greater access, stability, transparency and protection for investors.

References:

Consolidated TPP Text – Table of Contents

<https://international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/tpp-ptp/text-texte/toc-tdm.aspx?lang=eng>

Consolidated TPP Text – Chapter 3 – Rules of Origin and Origin Procedures – Annex 3-B

<https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/tpp-ptp/text-texte/03.aspx?lang=eng#3b>