



# FedEx Regulatory Alerts & Updates

## **Regulatory Alert: The Canada-United Kingdom Trade Continuity Agreement (CUKTCA)**

January 5, 2021

### **Canada and the United Kingdom (UK) strike an interim post-Brexit trade deal**

On November 21, 2020, Global Affairs Canada (GAC) announced that Canada (CA) and the United Kingdom (UK) have successfully come to an agreement on an interim trade deal: The [Canada-United Kingdom Trade Continuity Agreement](#) (CUKTCA). CUKTCA is a transitional agreement that will enable the continuity of key benefits currently covered under the Canada-European Union Comprehensive Economic and Trade Agreement (CETA), including 98% tariff-free trade between the two countries. Additionally, it will allow extra time for both governments to negotiate a long-term comprehensive bilateral agreement. The CUKTCA is currently awaiting ratification by both governments before it can take effect.

In the interim, the Canadian government has issued the UK Trade Continuity Remission Order, 2021 #20-1135. This remission order will permit the aforementioned tariff benefits to continue, for eligible UK imports under the CUKTCA until the interim trade deal comes into force.

### **The UK Trade Continuity Remission Order, 2021 #20-1135**

Beginning January 1, 2021, the remission order can be applied to qualifying goods imported into Canada, for the remission of duties.

Qualifying goods must meet the following conditions:

- Country of origin/manufacture is the United Kingdom
- Exported directly from (i.e., country of export) the United Kingdom
- Shipment date (i.e., date of export) and Release date is January 1, 2021 or after
- \*Acceptable documentation certifying the origin of goods

\*FedEx Express Canada will accept the following documentation:

- Casual Shipments (other than for sale or for commercial use)

An invoice (i.e., pro forma or commercial) stating that the country of origin and the country of export of the imported goods is 'UK'.

- Commercial Shipments
  - A. Low Value Shipments (LVS) – Total customs value is CAD \$3300.00 or less

A written and signed statement from the exporter, on the commercial invoice, certifying that the goods originate from UK as per the example below.  
**e.g., “We/I certify that these goods are of UK origin”**
  - B. High Value Shipments (HVS) – Total customs value is greater than CAD \$3300.00

A completed CETA statement/declaration on any accompanying supporting commercial document (i.e., Commercial Invoice), provided that the markings on the documentation, do not contradict the statement/declaration.

### **Important Reminders**

1. Goods that are in-transit to Canada prior to January 1, 2021, may still be eligible for preferential tariff treatment under CETA
2. Upon request by the Canada Border Services Agency (CBSA), importers are responsible for providing additional documentation in support of a claim for the UK Trade Continuity Remission Order, 2021 #20-1135 to be applied. The CBSA will accept documentation from exporters in the UK that support an importer’s claim, as per [Article 25](#) of the CETA text.

### **Additional Information**

[CBSA Customs Notice 20-38](#)

[CBSA Customs Notice 20-39](#)

### **References:**

Canada–United Kingdom Trade Continuity Agreement (CUKTCA)

<https://www.canada.ca/en/global-affairs/news/2020/11/canada-successfully-concludes-talks-on-transitional-trade-continuity-agreement-with-the-united-kingdom.html>

Article 25 – Text of the Comprehensive Economic and Trade Agreement – Protocol on rules of origin and origin procedures

<https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/ceta-aecg/text-texte/P1.aspx?lang=eng>

CBSA Customs Notice 20-38

<https://www.cbsa-asfc.gc.ca/publications/cn-ad/cn20-38-eng.html>

CBSA Customs Notice 20-39

<https://www.cbsa-asfc.gc.ca/publications/cn-ad/cn20-39-eng.html>

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