



NAFTA Maintenance Services

The North American Free Trade Agreement provides for duty free entry of qualifying goods originating in a NAFTA territory (US, Mexico & Canada). In order to benefit from the preferential tariff treatment provided for under the NAFTA, the importer must provide, as proof of origin, a copy of the certificate properly completed and signed by the exporter.

NAFTA Certificates can apply to a single exportation of goods or to multiple exportations of identical goods exported to Canada within a 12-month period – known as a Blanket Certificate. An exception to formal certification exists for commercial shipments valued at less than CAD\$2500. In this case, the formal certificate is not mandatory. Instead, the exporter may provide a statement (in the prescribed form) certifying that the goods qualify as “originating goods”.

The use of Blanket Certificates by exporters is an increasing trend; the greatest benefit being a reduction in paperwork. Due to the large number of Blanket Certificates received, KN Customs has a streamlined process in place whereby all Blanket NAFTAs received are reviewed at face value to ensure compliance standards are met. This benefits our clients via notification of any errors made on the document. The importer/client may then contact the exporter for the necessary revisions. Improperly completed certificates are at a much greater risk of being selected by the CBSA to undergo a NAFTA Verification Audit.

A visual inspection of certificates by our NAFTA Specialists will lessen the risk of being denied preferential treatment and also reduces the importer’s risk of exposure to penalties under AMPS (Administrative Monetary Penalty System). All Certificates which pass visual inspection are entered into the client’s profile for nationwide use. This assures that all qualifying goods listed on the NAFTA will be accorded the preferential / duty free tariff treatment on the B3 accounting documents. KN Customs assesses an annual maintenance fee for each Blanket NAFTA received and entered into our customs system.



KN Customs has a wide range of support services available. For more information please email our Tariff Support / Consulting Customer Service Representatives at:

knc.customs.tsu@kuehne-nagel.com



Blanket NAFTA Service Options

OPTION 1

KN will review each blanket certificate received from the client to ensure that it is complete and correct based on a face value inspection. This does not include qualification services. The exporter's analysis is accepted at face value. Any apparent errors are brought to the client's attention (with an explanation) for correction. Once a correct certificate is obtained, it will be entered in the client's database.

- \$60 per Certificate up to 10 lines, thereafter, 50¢ each additional line
- Electronic certificates in Word or Excel format are preferred and the cost to maintain such a certificate will be significantly less. (For example \$60, up to 1000 lines of product)

OPTION 2

KN will contact the client's vendors to obtain blanket certificates of origin on their behalf. If required, the exporter will be provided with blank certificates and guidance in their completion. Three attempts will be made to obtain certificates. As above, this does not include qualification services. It is the exporter's responsibility to ensure that they have read and understood the Rules of Origin as specified in the NAFTA agreement prior to completing the certification.

Certificates obtained will be reviewed to ensure they are correct at face value. Properly completed certificates received as a result of this option will be provided to the client and entered in the client's database.

This is a two part process with the following fees:

- NAFTA certificate request from Exporter: \$35
- NAFTA Certificate Maintenance: \$60 per Certificate up to 10 lines, thereafter 50¢ each additional line.

OPTION 3

Client elects to obtain and maintain their own NAFTA certificates and chooses to opt out of the KN provided services.

- No charge, however KN will require that the client sign a waiver if the client directs KN to apply NAFTA tariff treatments without being in possession of the actual certificate. (KNCXZ032)

OPTION 4

KN will review bill(s) of material and apply the NAFTA rules of origin to determine eligibility of the product(s) for NAFTA. Client will be required to participate by providing cost and origin information for all inputs as itemized on the bill(s) of material.

- This service is provided on a time basis at the rate of \$150.00/hour. Once the scope of the project is determined, an estimate of time/cost will be provided.
- Refunds will be filed to recover any eligible refunds of duty based on NAFTA certificates secured that were not available at the time of import. The cost for this service will be \$35.00 per B2.

HOW WE OUT+PERFORM™

