



Ottawa, February 17, 2005

MEMORANDUM D11-4-6

In Brief

RULES OF ORIGIN FOR THE NEW ZEALAND AND AUSTRALIA TARIFF TREATMENTS

The revision of this Memorandum is part of an overall revision of the Memoranda D11-4 series. Changes have been made to the "Guidelines and General Information" section to clarify policy or procedural issues that have arisen since the last revision to this Memorandum.



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RULES OF ORIGIN FOR THE NEW ZEALAND AND AUSTRALIA TARIFF TREATMENTS

This Memorandum contains the *Regulations Respecting the Determination of the Origin of Goods for Purposes of New Zealand (NZT) and Australia (AUT) Tariff Treatments*. The Memorandum also contains guidelines regarding the proof of origin and shipping requirements for the NZT and AUT treatment.

Regulations

Australia Tariff and New Zealand Tariff Rules of Origin Regulations

Origin of Goods

1. (1) Goods originate in Australia if not less than 50 per cent of the cost of production of the goods is incurred by the industry of Australia or Canada or both and the goods were finished in Australia in the form in which they are imported into Canada.

(2) Goods originate in New Zealand if not less than 50 per cent of the cost of production of the goods was produced by the industry of New Zealand or Canada or both and the goods were finished in New Zealand in the form in which they are imported into Canada.

2. In calculating the cost of production for the purposes of section 1, the following shall not be included:

(a) the cost of outside packing and expenses related to outside packing, required for the transportation of the goods, not including packing in which the goods are ordinarily sold for consumption;

(b) gross profit of the manufacturer or exporter and the profit or remuneration of any trader, broker or other person dealing in the goods in their finished manufactured condition;

(c) royalties;

(d) customs or excise duty or tax paid or payable on imported materials;

(e) carriage, insurance and other charges from the place of production or manufacture in the country of origin to the port of shipment; and

(f) any other costs or charges incurred or to be incurred subsequent to the completion of the manufacture of the goods.

Direct Shipment

3. (1) Goods are entitled to the Australia Tariff only if the goods are shipped directly to Canada, with or without transshipment, from Australia.

(2) Goods are entitled to the New Zealand Tariff only if the goods are shipped directly to Canada, with or without transshipment, from New Zealand.

GUIDELINES AND GENERAL INFORMATION

Rules of Origin – New Zealand

1. To qualify for the rates of duty accorded to New Zealand, at least 50% of the cost of production of the goods must be incurred in New Zealand or Canada or both.

2. Cost of production includes:

(a) materials (exclusive of duties and taxes);

(b) labour; and

(c) factory overhead.

3. The goods must be finished in New Zealand in the form in which they were imported into Canada.

Proof of Origin – New Zealand

4. Proof of origin for NZT treatment must be presented in the form of:

(a) a commercial invoice or Form CII, *Canada Customs Invoice*, prepared by the vendor (see Appendix), or

(b) any other documentation indicating the country of origin of the goods, as outlined in Memorandum D11-4-2, *Proof of Origin*.

5. Proof of origin must be presented at the times set out in section 13 of the *Proof of Origin of Imported Goods Regulations* as found in D11-4-2.

Shipping Requirements – New Zealand

6. The goods must be shipped directly from New Zealand to a consignee in Canada on a through bill of lading (TBL).

7. Transshipment is allowed provided:

- (a) the goods remain under customs transit control in the intermediate country;
- (b) the goods do not undergo any operation in the intermediate country other than unloading, reloading, splitting up of loads, or operations required to keep the goods in good condition;
- (c) the goods do not enter into trade or consumption in the intermediate country; or
- (d) the goods do not remain in temporary storage in the intermediate country for a period exceeding six months.

Rules of Origin – Australia

- 8. To qualify for the rates of duty accorded to Australia, at least 50% of the cost of production of the goods must be incurred in Australia or Canada or both.
- 9. Cost of production includes:
 - (a) materials (exclusive of duties and taxes);
 - (b) labour; and
 - (c) factory overhead.
- 10. The goods must be finished in Australia in the form in which they were imported into Canada.

Proof of Origin – Australia

- 11. Proof of origin for AUT treatment must be presented in the form of:
 - (a) a commercial invoice or Form C11, *Canada Customs Invoice*, prepared by the vendor (see Appendix), or
 - (b) any other documentation indicating the country of origin of the goods, as outlined in Memorandum D11-4-2, *Proof of Origin*.

- 12. Proof of origin must be presented at the times set out in section 13 of the *Proof of Origin of Imported Goods Regulations* as found in D11-4-2.

Shipping Requirements – Australia

- 13. The goods must be shipped directly from Australia to a consignee in Canada on a through bill of lading (TBL)
- 14. Transshipment is allowed provided:
 - (a) the goods remain under customs transit control in the intermediate country;
 - (b) the goods do not undergo any operation in the intermediate country other than unloading, reloading, splitting up of loads, or operations required to keep the goods in good condition;
 - (c) the goods do not enter into trade or consumption in the intermediate country; or
 - (d) the goods do not remain in temporary storage in the intermediate country for a period exceeding six months.

Additional Information

- 15. For further information or assistance, please contact:
 - Origin and Valuation Division
 - Policy and Operational Development Directorate
 - Admissibility Branch
 - Canada Border Services Agency
 - Ottawa ON K1A 0L8
 - Facsimile: (613) 954-5500

APPENDIX

Canada Customs and Revenue Agency Agence des douanes et du revenu du Canada		CANADA CUSTOMS INVOICE FACTURE DES DOUANES CANADIENNES		Page of de
1. Vendor (name and address) - Vendeur (nom et adresse)		2. Date of direct shipment to Canada - Date d'expédition directe vers le Canada		
		3. Other references (include purchaser's order No.) Autres références (inclure le n° de commande de l'acheteur)		
4. Consignee (name and address) - Destinaire (nom et adresse)		5. Purchaser's name and address (if other than consignee) Nom et adresse de l'acheteur (s'il diffère du destinataire)		
		6. Country of transshipment - Pays de transbordement		
		7. Country of origin of goods Pays d'origine des marchandises	IF SHIPMENT INCLUDES GOODS OF DIFFERENT ORIGINS ENTER ORIGINS AGAINST ITEMS IN 12. SIL'EXPÉDITION COMPREND DES MARCHANDISES D'ORIGINES DIFFÉRENTES, PRÉCISEZ LEUR PROVENANCE EN 12.	
8. Transportation: Give mode and place of direct shipment to Canada Transport : Précisez mode et point d'expédition directe vers le Canada		9. Conditions of sale and terms of payment (i.e. sale, consignment shipment, leased goods, etc.) Conditions de vente et modalités de paiement (p. ex. vente, expédition en consignation, location de marchandises, etc.)		
		10. Currency of settlement - Devises du paiement		
11. Number of packages Nombre de colis	12. Specification of commodities (kind of packages, marks and numbers, general description and characteristics, i.e., grade, quality) Désignation des articles (nature des colis, marques et numéros, description générale et caractéristiques, p. ex. classe, qualité)	13. Quantify (state unit) Quantité (précisez l'unité)	Selling price - Prix de vente	
			14. Unit price Prix unitaire	15. Total
18. If any of fields 1 to 17 are included on an attached commercial invoice, check this box Si tout renseignement relativement aux zones 1 à 17 figure sur une ou des factures commerciales ci-attachées, cochez cette case Commercial Invoice No. / N° de la facture commerciale _____		16. Total weight - Poids total		17. Invoice total Total de la facture
		Net		Gross - Brut
19. Exporter's name and address (if other than vendor) Nom et adresse de l'exportateur (s'il diffère du vendeur)		20. Originator (name and address) - Expéditeur d'origine (nom et adresse)		
21. CCRA ruling (if applicable) - Décision de l'Agence (s'il y a lieu)		22. If fields 23 to 25 are not applicable, check this box Si les zones 23 à 25 sont sans objet, cochez cette case <input type="checkbox"/>		
23. If included in field 17 indicate amount: Si compris dans le total à la zone 17, précisez :		24. If not included in field 17 indicate amount: Si non compris dans le total à la zone 17, précisez :		25. Check (if applicable): Cochez (s'il y a lieu) :
(i) Transportation charges, expenses and insurance from the place of direct shipment to Canada Les frais de transport, dépenses et assurances à partir du point d'expédition directe vers le Canada _____		(i) Transportation charges, expenses and insurance from the place of direct shipment to Canada Les frais de transport, dépenses et assurances jusqu'au point d'expédition directe vers le Canada _____		(i) Royalty payments or subsequent proceeds are paid or payable by the purchaser Des redevances ou produits ont été ou seront versés par l'acheteur <input type="checkbox"/>
(ii) Costs for construction, erection and assembly incurred after importation into Canada Les coûts de construction, d'érection et d'assemblage après importation au Canada _____		(ii) Amounts for commissions other than buying commissions Les commissions autres que celles versées pour l'achat _____		(ii) The purchaser has supplied goods or services for use in the production of these goods L'acheteur a fourni des marchandises ou des services pour la production de ces marchandises <input type="checkbox"/>
(iii) Export packing Le coût de l'emballage d'exportation _____		(iii) Export packing Le coût de l'emballage d'exportation _____		

Dans ce formulaire, toutes les expressions désignant des personnes visent à la fois les hommes et les femmes.

REFERENCES

<p>ISSUING OFFICE –</p> <p>Origin and Valuation Division Policy and Operational Development Directorate Admissibility Branch</p>	<p>HEADQUARTERS FILE –</p> <p>N/A</p>
<p>LEGISLATIVE REFERENCES –</p> <p><i>Customs Tariff</i> Order in Council P.C. 1997-2006, December 29, 1997</p>	<p>OTHER REFERENCES –</p> <p>D11-4-2</p>
<p>SUPERSEDED MEMORANDA “D” –</p> <p>D11-4-6, June 30, 1998</p>	

Services provided by the Canada Border Services Agency are available in both official languages.

