



Memorandum D11-4-37

Ottawa, November 4, 2021

Origin Quotas and Alternatives to the Product-Specific Rules of Origin under the Canada – European Union Comprehensive Economic and Trade Agreement and the Canada-United Kingdom Trade Continuity Agreement

In Brief

This memorandum contains administrative guidelines and other information regarding the administration of the origin quotas contained in [Annex 5-A](#) of the [Protocol on Rules of Origin and Origin Procedures](#) of the [Canada-European Union Comprehensive Economic and Trade Agreement](#) (CETA) and Annex 5-A of the Protocol on Rules of Origin and Origin Procedures as incorporated by reference in the [Canada-United Kingdom Trade Continuity Agreement](#) (Canada-UK TCA).

Under the Canada-European Union Comprehensive Economic and Trade Agreement (CETA) and the Canada-United Kingdom Trade Continuity Agreement (Canada-UK TCA), specific quantities of some products may qualify as originating under alternative product-specific rules of origin (origin quotas). Under the CETA origin quotas, products that include non-Canadian or non-European Union (EU) sourced materials may qualify as originating and receive preferential tariff treatment, up to the specified quantity, and likewise, products that include non-Canadian or non-United Kingdom (UK) sourced materials may qualify as originating and receive preferential tariff treatment, up to the specified quantity, under the Canada-UK TCA.

Under both agreements, origin quotas have been established for Agricultural Products (High-Sugar Containing Products, Sugar Confectionery and Chocolate Preparations, Processed Foods, and Dog and Cat Food), Fish and Seafood, Textiles, Apparel, and Vehicles.

This memorandum specifies the products that are eligible for the origin quotas, the manufacturing processes that products are required to undergo in the territory of the Parties to the CETA or the Canada-UK TCA, and the documentation needed to support a claim for CETA preferential tariff treatment or Canada-UK TCA preferential tariff treatment.

Legislation

[Customs Act](#)

[Customs Tariff](#)

[Export and Import Permit Act](#)

[Export Controls List](#)

[Import Controls List](#)

Regulations

[CETA Rules of Origin Regulations](#)

[CUK TCA Rules of Origin Regulations](#)

[Regulations Defining “EU country or other CETA beneficiary”](#)

Guidelines and general information

Definitions

1. For the purpose of this memorandum, the following definitions apply:

Canada-UK TCA beneficiary has the same meaning as in subsection 2(1) of the *Customs Tariff*.

EU country or other CETA beneficiary means a country or territory set out in the schedule to the *Regulations Defining “EU country or other CETA beneficiary”*.

General

2. The CETA and the Canada-UK TCA are similar to all of Canada’s Free Trade Agreements (FTAs) in that they contain rules of origin, origin procedures, and product-specific rules of origin (PSRO), which can be found in the Protocol on Rules of Origin and Origin Procedures (the “Protocol”) specific to the CETA and the Canada-UK TCA. However, the CETA and the Canada-UK TCA are unique in that they allow for products to also qualify for CETA or Canada-UK TCA preferential tariff treatment under the applicable origin quota PSRO, which are contained in Annex 5-A of the CETA – Origin quotas and alternatives for the product-specific rules of origin in Annex 5 – and incorporated by reference in the Canada-UK TCA. While the origin quotas provide alternative rules of origin, not all originating products have corresponding origin quotas.

3. The origin quotas provide preferential rates of duty for specified quantities of certain originating products. Origin quotas apply to specific textile and apparel products imported into Canada from an EU country or other CETA beneficiary or a Canada-UK TCA beneficiary under the respective agreements. Origin quotas also apply to specific Canadian agricultural products, fish and seafood products, textile and apparel products, and vehicles exported to an EU country or other CETA beneficiary or to a Canada-UK TCA beneficiary.

4. Canada has implemented import and export permit requirements for certain origin quotas. Table 1 below identifies the origin quota products that are subject to Canadian permit requirements. While these quotas are available for imports and exports, traders are advised, where possible, to determine whether their products satisfy the applicable main PSRO found in Annex 5 of either Protocol before exporting their product under the origin quotas.

Table 1: List of products with corresponding origin quotas and their Canadian permit requirements

Imports:

Product	Permit Required	Administration
Textiles and Apparel Harmonized System Classification		
5007.20, 5111.30, 51.12, 5208.39, 5401.10, 5402.11, 54.04, 54.07, 56.03, 5607.41, 5607.49, 5702.42, 5703.20, 5704.90, 59.03, 5904.10, 5910.00, 59.11, 6105.10, 61.06, 61.09, 61.10, 61.14, 61.15, 6202.11, 6202.93, 6203.11, 6203.12-6203.49, 62.04, 6205.20, 62.10, 62.11, 61.12, 6302.21, 6302.31, 6302.91	CETA - Yes	First-come, first-served upon importation into Canada
	Canada-UK TCA - Yes	First-come, first served upon importation into Canada

Exports:

Product	Permit Required	Administration
High Sugar Containing Products Harmonized System Classification		
ex 1302.20, ex 1806.10, ex 1806.20, ex 2101.12, ex 2101.20, ex 2106.90	CETA - Yes	Export to an EU country or other CETA beneficiary through

		allocation
	Canada-UK TCA - No	First-come, first-served upon importation into a Canada-UK TCA beneficiary
Sugar Confectionery and Chocolate Preparations Harmonized System Classification		
17.04, 1806.31, 1806.32, 1806.90	CETA - Yes	First-come, first-served upon importation into an EU country or other CETA beneficiary
	Canada-UK TCA - No	First-come, first-served upon importation into a Canada-UK TCA beneficiary
Processed Foods Harmonized System Classification		
19.01, ex 1902.11, ex 1902.19, ex 1902.20, ex 1902.30, 1904.10, 1904.20, 1904.90, 19.05, 2009.81, ex 2009.89, 2103.90, ex 2106.10, ex 2106.90	CETA - Yes	First-come, first-served upon importation into an EU country or other CETA beneficiary
	Canada-UK TCA - No	First-come, first-served upon importation into a Canada-UK TCA beneficiary
Dog and Cat Food Harmonized System Classification		
2309.10, ex 2309.90	CETA - Yes	First-come, first-served upon importation into an EU country or other CETA beneficiary
	Canada-UK TCA - No	First-come, first-served upon importation into a Canada-UK TCA beneficiary
Apparel Harmonized System Classification		
61.04, 61.14, 6102.30, 6108.92, 62.01	CETA - Yes	First-come, first-served upon importation into an EU country or other CETA beneficiary
	Canada-UK TCA - No	First-come, first-served upon importation into a Canada-UK TCA beneficiary
Apparel Harmonized System Classification		
6101.30, 6106.20, 6108.22, 6109.10, 6109.90, 61.10, 6112.41, 61.15, 62.02, 62.03, 62.04, 62.05, 62.06, 6210.40, 6210.50, 62.11, 6212.10, 6212.20, 6212.30, 6212.90	CETA - No	First-come, first-served upon importation into an EU country or other CETA beneficiary
	Canada-UK TCA - No	First-come, first-served upon importation into a Canada-UK TCA beneficiary
Textiles Harmonized System Classification		

5107.20, 5205.12, 5208.59, 5209.59, 54.02, 5404.19, 54.07, 5505.10, 5513.11, 56.02, 56.03, 57.03, 58.06, 5811.00, 59.03, 5904.90, 59.06, 5907.00, 59.11, 60.04, 60.05, 60.06, 63.06, 63.07	CETA - No	First-come, first-served upon importation into an EU country or other CETA beneficiary
	Canada-UK TCA - No	First-come, first-served upon importation into a Canada-UK TCA beneficiary
Fish and Seafood Harmonized System Classification		
ex 0304.83, ex 0306.12, 1604.11, 1604.12, ex 1604.13, ex 1605.10, 1605.21 – 1605.29, 1605.30	CETA - No	First-come, first-served upon importation into the an EU country or other CETA beneficiary
	Canada-UK TCA - No	First-come, first-served upon importation into a Canada-UK TCA beneficiary
Vehicles Harmonized System Classification		
8703.21, 8703.22, 8703.23, 8703.24, 8703.31, 8703.32, 8703.33, 8703.40, 8703.50, 8703.60, 8703.70, 8703.80, 8703.90	CETA - Yes	Export to an EU country or other CETA beneficiary through allocation
	Canada-UK TCA - Yes	First-come, first-served upon importation into a Canada-UK TCA beneficiary

5. The origin quota mechanism contained in the CETA and the Canada-UK TCA are unique in that the products subject to an origin quota are associated directly to a PSRO. This means that one product could have two separate PSROs associated with it; the main PSRO, where there is no quantitative limit, and an alternate PSRO, which is subject to quota availability. The products associated with the alternate PSRO qualify as originating products should quota be available. Traders should determine first if their products qualify as originating under the main PSROs, and then look to the alternative rules of origin for an origin quota to see if they may qualify.

6. In order to determine whether there is quota available for a certain product under the CETA or Canada-UK TCA, importers and exporters are encouraged to look at the Global Affairs Canada's CETA Origin Quotas website. A link to this website can be found in the "References" section of this memorandum.

7. The Global Affairs Canada website also contains a list of Frequently Asked Questions (FAQ) which provides information on the origin quotas.

Import requirements – Origin Declaration

8. As with all imported products, in order to receive preferential tariff treatment, the Origin Declaration, contained in Annex 2 of the Protocol to either FTA, must be in the importer's possession at the time of release of the products, or at any other time when the importer declares on the customs documentation that they are in possession of an origin declaration.

9. The completed Origin Declaration, as set out in Annex 2 of the Protocol to either FTA, must be provided on the invoice or any other commercial document that describes the product in sufficient detail to enable its identification. A reference to Annex 5-A should also be included on the invoice or other commercial document in order to identify origin quota products. It is not mandatory to include the Origin Declaration with the release or accounting documentation, but it must be available for presentation to the Canada Border Services Agency (CBSA) upon request.

10. The Origin Declaration may be completed in English or French or, for the purposes of CETA, any of the languages set out in Annex 2 of the CETA Protocol on Rules of Origin and Origin Procedures. Where the Origin

Declaration is presented in a language other than English or French and the CBSA requests to see it, the CBSA may make a further request to the importer to provide an English or French translation of the Origin Declaration. If such further request is made, the CBSA will allow a reasonable period of time for the importer to obtain the translation.

Note: The importer is not required to obtain an English or French translation of the Origin Declaration until and unless such a request is made.

Tariff treatments

11. The CETA rate of customs duty for products imported from an EU country or other CETA beneficiary is the Canada-European Union Tariff (CEUT), and is applicable to all products, including those subject to the origin quotas. Importations of products that do not meet the main PSRO or exceed the annual origin quota quantitative limit under the alternate rules of origin provided under the CETA are subject to the Most-Favoured-Nation (MFN) tariff treatment.

12. The Canada-UK TCA rate of customs duty for products imported from a Canada-UK TCA beneficiary is the United Kingdom Tariff (UKT), and is applicable to all products, including those subject to the origin quotas. Importations of products that do not meet the main PSRO or exceed the annual origin quota quantitative limit under the alternate rules of origin provided under the Canada-UK TCA are subject to the MFN tariff treatment.

Export requirements – Origin Declaration

13. In order to identify the products that are eligible for an origin quota, the exporter, in addition to providing the Origin Declaration as set out in Annex 2 of the specific Protocol, should inform the importer of the application of Annex 5-A. This may be done by making reference to Annex 5-A on the invoice or other commercial document, and where applicable, the exporter must provide the importer with a copy of the export permit.

Import and export permit requirements

14. Import and export permits are issued by the Trade Controls Bureau at Global Affairs Canada or via customs brokers authorized by the Trade Controls Bureau.

15. In order to inform importers and exporters about the origin quotas established under the CETA, Global Affairs Canada has issued notices containing information on the products covered under the various origin quotas, the type of permit required and the administration of the origin quotas under the *Export and Import Permits Act* (EIPA). Specific Notices to Importers and to Exporters for the following products have been issued, and links to these notices can be found in the “References” section of this memorandum:

High-Sugar Containing Products - Exports

Sugar Confectionery and Chocolate Preparations, Processed Foods, Dog and Cat Food - Exports

Fish and Seafood - Exports

Apparel – Exports

Textiles and Apparel - Imports

Vehicles - Exports

16. In order to inform importers and exporters about the origin quotas established under the Canada-UK TCA, Global Affairs Canada has issued notices containing information on the products covered under the various origin quotas, the type of permit required and the administration of the origin quotas under the EIPA. Specific Notices to Importers and to Exporters for the following products have been issued, and links to these notices can be found in the “References” section of this memorandum:

Textiles and Apparel – Imports

Vehicles - Exports

Import permit requirements

17. In order to import products subject to an origin quota, the importer must possess an appropriate import permit specifying entitlement for the products. This permit must be available for presentation to the CBSA upon request.

18. Global Affairs Canada provides CBSA External Customs Automated Permit System (EXCAPS) with an electronic transmission of permit information directly. This eliminates the requirement for exporters and importers to present paper permits to the CBSA (except at non-terminal offices) when required under the EIPA. Global Affairs Canada will issue a transaction record to the importer or broker to serve as a receipt showing that the permit has been issued. Importers using non-terminal offices will be required to present a copy of the transaction record to substantiate that a permit has been issued by Global Affairs Canada. Refer to Memorandum D19-10-2, Export and Import Permits Act (Importations) for the most current information on the transmission of permit information between Global Affairs Canada and CBSA.

19. The transaction number assigned to the importation must be recorded on the import permit, and the import permit number must be recorded on the customs documentation.

20. An import permit becomes valid when the permit information has been transmitted electronically by Global Affairs Canada to the CBSA office where products are to be released.

21. Where an origin quota permit has not been obtained by the date of accounting, the products will be subject to the MFN tariff treatment.

Export permit requirements

22. In order to export products subject to the origin quota to an EU country or other CETA beneficiary or a Canada-UK TCA beneficiary, if the product is identified as requiring a permit, the exporter must possess an appropriate export permit specifying entitlement for the products. To determine if an export permit is applicable, refer to Table 1 above. For all products, whether a permit is required or not, the exporter is advised to notify the importer in an EU country or other CETA beneficiary or a Canada-UK TCA beneficiary that these products are subject to Annex 5-A. This may be done by making an indication with the required origin declaration on the invoice or other commercial document.

23. Where an export permit has been obtained, the exporter, in addition to advising the importer as per the above paragraph, must provide the importer with a copy of the export permit.

Canada Customs Coding Form

24. To indicate that a claim for CETA preferential tariff treatment is being made through the origin quota mechanism for products imported from an EU country or other CETA beneficiary, importers must complete Form B3-3, Canada Customs Coding Form, as follows:

- In Field No. 14, “Tariff Treatment”, enter the Canada-European Union Tariff (CEUT) treatment code “31”
- In Field No. 26, “Special Authority”, enter the CETA Order in Council (OIC) number **17-1124**

25. To indicate that a claim for Canada-UK TCA preferential tariff treatment is being made through the origin quota mechanism for products imported from a Canada-UK TCA beneficiary, importers must complete Form B3-3, Canada Customs Coding Form, as follows:

- In Field No. 14, “Tariff Treatment”, enter the United Kingdom Tariff (UKT) treatment code “34”
- In Field No. 26, “Special Authority”, enter the Canada-UK TCA OIC number **21-241**

Legislative requirements to file self-adjustments

26. For products originating as per the PSRO origin quota of the CETA or Canada-UK TCA, for which a claim under the quota was not made at the time of accounting, preferential tariff treatment may be requested under the PSRO origin quota of the applicable trade agreement, if quota remains available in the year in which the products were accounted for. If no quota is available in the year in which the product was accounted for, the MFN tariff applies and any duties owing must be paid.

27. Preferential tariff treatment corrections to the import declaration to access PSRO origin quota may be submitted under either section 74 or section 32.2 of the *Customs Act*, depending on whether or not preferential

tariff treatment was claimed at the time of accounting.

Refunds of duties paid

28. A request for preferential tariff treatment for products originating under the PSRO origin quota of the CETA or Canada-UK TCA may be made where the MFN tariff has been claimed and the products have been accounted for by requesting a refund of the duties paid under s.74(1)(c.11) of the *Customs Act*. For imports into Canada, the importer is provided with 4 years from the date of accounting to submit a refund claim by applying for CETA or Canada-UK TCA preferential tariff treatment. For more information on refunds, refer to Memorandum D6-2-3, Refunds of Duties.

Corrections to the claim for CETA or Canada-UK TCA preferential tariff treatment (Money payable to the CBSA or Revenue Neutral)

29. Where the CETA or Canada-UK TCA preferential tariff treatment was claimed at the time of accounting, and the products are subsequently found not to originate under the PSRO but are originating under an origin quota PSRO, access to the CETA or Canada-UK TCA preferential tariff treatment, provided origin quota remains available, must be obtained by submitting a correction under section 32.2 of the *Customs Act* to include the relevant OIC number as set out in the “Canada Customs Coding Form” section above. For more information on the importer’s obligation, refer to Memorandum D11-6-6, “Reason to Believe” and Self-adjustments to Declarations of Origin, Tariff Classification, and Value for Duty.

30. Under either situation, the procedures and applicable documentation outlined above to access the origin quota PSRO of the CETA or Canada-UK TCA apply.

Verification

31. As the origin quota mechanisms are rules of origin, all claims for preferential tariff treatment under the CETA or Canada-UK TCA PSRO origin quota are subject to all the origin procedures of the applicable trade agreement.

Additional information

32. For more information, call contact the [CBSA Border Information Service](#) (BIS):

Calls within Canada & the United States (toll free): **1-800-461-9999**

Calls outside Canada & the United States (long distance charges apply):

1-204-983-3550 or 1-506-636-5064

TTY: **1-866-335-3237**

[Contact Us online](#) (webform)

[Contact Us](#) at the CBSA website.

References	
Issuing Office	Trade and Anti-dumping Programs Directorate
Headquarters File	
Legislative References	<p><u>Customs Act</u> <u>Customs Tariff</u> <u>Export and Import Permit Act</u> <u>Export Controls List</u> <u>Import Controls List</u></p> <p><u>CETA Rules of Origin Regulations</u> <u>CUKTCA Rules of Origin Regulations</u> <u>Regulations Defining “EU country or other CETA beneficiary”</u></p> <p><u>Protocol on Rules of Origin and Origin Procedures</u> <u>Annex 5-A of the Protocol on Rules of Origin and Origin Procedures</u></p> <p><u>Canada-European Union Comprehensive Economic and Trade Agreement (CETA)</u> <u>Canada -United Kingdom Trade Continuity Agreement (Canada-UK TCA)</u></p>
Other References	<p><u>D6-2-3</u> <u>D11-6-6</u> <u>D19-10-2</u></p> <p><u>Global Affairs Canada CETA Origin Quotas</u></p> <p><u>Global Affairs Canada Frequently Asked Questions (FAQ)</u> <u>Global Affairs Canada List of Notices to Importers, Exporters and Brokers</u></p> <p><u>Notice for High-Sugar Containing Products - Exports (CETA)</u> <u>Notice for Sugar Confectionery and Chocolate Preparations, Processed Foods, Dog and Cat Food - Exports (CETA)</u> <u>Notice for Fish and Seafood - Exports (CETA)</u> <u>Notice for Apparel – Exports (CETA)</u> <u>Notice for Textiles and Apparel - Imports (CETA)</u> <u>Notice for Vehicles - Exports (CETA)</u></p> <p><u>Notice for Textiles and Apparel – Imports (Canada-UK TCA)</u> <u>Notice for Vehicles – Exports (Canada-UK TCA)</u></p> <p><u>B3-3 – Canada Customs Coding Form</u></p>
Superseded Memorandum D	