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NAFTA

How does it effect my supply
chain?

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Importer/Exporter Responsibilities

It is the importer/exporter's responsibility to be aware of and comply to, all existing and future regulations of any and all U.S./Canadian/Mexican government agencies controlling NAFTA imports/exports within the NAFTA territories. Every effort is made to ensure that the information presented is current and accurate. I assume no liability or responsibility for the application of the information presented, or any changes, updates, additions or corrections that may exist at the time of presentation. No portion of this material may be copied or distributed without the express written permission from Mike Allocca.

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What is NAFTA

- Free trade agreement with CA, MX, US
- Effective Jan 1, 1994
- 15 year phase in period (free trade on all eligible goods by end of 2008)
- 1st agreement that allows other governments customs officials to come into USA



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NAFTA Benefits

- Benefit's the importer, reduced or duty free goods.
- No MPF from Canada for NAFTA goods
- Can make the exporter more competitive then other non-participating countries
- 200% increase in trade among the 3 countries.
- Increase market access within each country.

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Determining if your products qualify – Step 1-3

- 1) Should you be filling out a NAFTA certificate?
- 2) Determine your proper HTS classification for each item.
- 3) Look up the duty rate , if any, in country of destination.

www.cbsa-asfc.gc.ca/general/publications/tariff2008/01-99/tblmod-1-e.html



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Determining if your products qualify – Step 4-6

4) Determine if you are or are not the mfg and have supporting documentation.

5) Look up the specific rule of origin for each of your products. (annex 401)

www.nafta-sec-alena.org/DefaultSite/index_e.aspx?DetailID=204#tariff

6) Should we run 2 product lines? Does NAFTA make sense for my business?



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Other FTA's

- 9 FTA's in effect currently covering 14 countries.
- 5 FTA's waiting for implementation
- 5 FTA's in negotiations



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NAFTA Resources

- Dept of Commerce - Trade Information Center
- CBP.gov – HTS numbers
- NAFTA Interactive Certificate of Origin
- Office of NAFTA & Inter-American affairs
- Formal training programs/ Trade consultants



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Summary

- Does NAFTA make sense for your business?
- Create a NAFTA Team.
- Begin determining qualifications whenever you source new/existing products.
- Continually ask for updates from your suppliers regarding changes in sourcing.
- Learn about other FTA's



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Thank You

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