## **CUSTOM BROKERS**

Customs brokers facilitate the importation process and are a valuable business tool. They are familiar with complex international trade laws and regulations, not only in Mexico but elsewhere in the world. Typically, the Canadian exporter will deal with a single Canadian broker who will make arrangements with its counter-parts in the United States and Mexico to handle the shipment every step of the way. Nonetheless, it is useful for the exporter to understand the role of brokers.

Under Mexican law, all imports valued at more than US \$1,000 must be handled by a customs broker. Only Mexican customs brokers are authorized to issue a *pedimento aduanal*, a petition for import into Mexico.

Most Canadian exporters ship to Mexico using INCOTERMS of Cost, Insurance and Freight (CIF) or Cost and Freight (C&F). The importer takes possession of the goods in Laredo and is responsible for clearance through Mexican customs, using a Mexican broker. The reason for this is that costs and risks vary widely beyond Laredo, and it can be difficult to provide accurate cost quotations.

Regardless of the arrangements at the Mexican border, the Canadian exporter is responsible for preparing a commercial invoice and other documents before the goods leave Canada. The requirements are very detailed and the documentation must be in Spanish. Many exporters retain a Canadian customs broker to complete most of these documents. Although the broker can provide advice, the preparation of the NAFTA certificate of origin, which can be obtained from Revenue Canada, is the responsibility of the exporter. Some Canadian brokers verify receipt of the documents by the Mexican broker before the shipment leaves Canada.

For a list of Associations of Customs Brokers in Mexico, please follow this link to Annex 5

## WANT MORE INFO? CLICK BELOW

For more information on customs brokers in Canada

 Customs Brokers Limited/International Transport

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- Export-i, Business Guide Moving into Mexico, pg 94
- Export-i, Business Guide Documents and Regulations